

# FINANCIALTIMES

No. 27,198

Wednesday February 16 1977



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# (2-Oll rosland tting

orse

### BUSINESS **Equities** rise 9.8; £ back

eported last night to be riorating" fullowing his to the trade figures was over-stroke. He is in the iffe Infirmary, Oxford. 385

Callsghan was heing kept ned of his condition but no diate moves are planned to m a Cabinet Minister to ise for the Foreigo Secre-luring his illness. Dr. David Minister of State, is con-ing to act for Mr. Crosland, S. Richard Evans, Lobby

supposition at Westmin however, was that Mr. Crossilness was so serious that ould be unable to return to politics. It is therefore ned that the appointment of v Foreign Secretary will not ng delayed.

### njay Gandhi

### in Denmark

h election results were a cent: dollar's narrowed to 1.13 (1.36) per cent: dollar's narrowed to 1.13 (1.36) per cent. (1.36)

### tables

### ares will ask **EEC** entry

h. At a London Press con-ce he said Portuguese indus. • PREORICH KRUPF, the West

### nce Charles es the honours

e Charles held his first titure yesterday. Deputising he Queen at Buckingham e he conferred seven aboods and 130 other the first Royal visit to r since 1969 yesterday when the first by bulletter in the first Royal visit to r since 1969 yesterday when the first by bulletter in Hills the Covernment's Rill to nation.

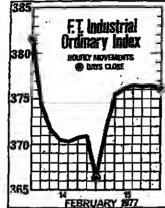
### igh Unvernment Hause.

cainst the atomic station at forf, which is the focus of

Shah of Iran said nn Dulch histon that more than 3,000 COMPANIES Lutery's jails.

# to \$1.70

Commonwealth Secretary, ground, with a feeling in stock markets that Monday's reaction



ial Democrats points to close at \$1,7045. Its

gency measure to cope, with

### arold Wilson last night on Power charges News at Ton denied Mr. laines' allegation that Lady nder was involved in may rise 11%

nder was involved in ment policy decisions.

dd Mr. Hames—his former up by ahout 11 per cent in the coming financial year if, as expected there is a sharp rise in the const of coal in the spring.

• SHELL/ESSO group has made a new oil discovery near its com-nicreial Auk field. Back Page. iarlo Soares, the Portuguese Mesa has been excluded from the Minister, utilizally con-latest round of offshore licences. for the first time yester- although concessions in the area hat he would lorge a formal it sought have been left un-entry application next allocated. Page 11

would be ready for full German steel and engineering ration by 1985. Page 4; groop, confirmed that it had rial Comment, Page 14 agreed to a hig harter deal with Iran—to exchange manufactured goods for oil. Back Page

picked up slightly in recent about the months, but the growth rate is still low and not enough to prevent further unemployment. Back Page. Editorial comment,

rived by helicopter at Hills- the Government's Bill to nation alise the aircraft and shiphuilding industries is hybrid. Bac Page. Orders held by U.K. ship oral authorities of Schlesolsicin have hanned a instrainm planned for Saturstrainm planned for Satur-

Cerman protect against new office in Japan this month to Iry to hoost its already growing trade in fibres and fabrics with Asian textile producers.

Page 8

THE GOVERNMENT'S devaluation ments concessions would use put the referendum removes the muster enough support in m • COURTAULDS will open

ninster Abbey yesterday likely to be examined by a Govard Proposition of the Page 11 ernment committee of inquiry.

### Page 9

hirth rate fell in 1976 for 2th consecutive year in a

2th consecutive year in a d line of 11.9 per 1.000 BATH AND PORTLAND c. The previous record low group made record pre-tax profit to war years was 14.4 in of £3.25m. (£2.09m.) in the year to October 31, Page 32

### EF PRICE CHANGES YESTERDAY

indicaled)	Lloyds Bank 197 + 12
	Lyons (J.) G6 + 4
RISES	Lucas Inds 222 + /
ric 41pc '74-79£902 + 1	Morris (H.) 147 + 7
my 13 pc 95 1971 + 11	Na; West 217 + t2
11. 7 1016s 100 11. 12. 12. 1	Racal Electronics 266 + 9
$y \lambda \dots \dots \lambda $	B A +70 4 &
t Bieweries G1 + 31	Rang Orc 170 + 6
l News tfin + t2	Sunley (B.) 126 + 16
1 P. Cement 173 + 5	Tate and Lyle 258 + 6
1,001 398 + S	Thomson Org 405 + 10
· (J.) 124 + 5	Tulic lays 352 + 12
85 Capet 37 + 5	Union Discount 295 + 10
nercial Union tt2 + 5	Unilever
Mail A 265 + 8	Watsham's 150 + 6
1 169 ± 0	BP 914 + 10
ln/n) 162 + 8	Ob 11 12 100 4 6
a Rue 3to + to	Shell Transport 496 + 6
y 106 ± 8	Tricentrot 138 + 10
153 + 6	
:1 Bros 175 + 10	FALLS
_ 29A L 10	Kitchen (R.) Taylor 54 - 6
er Siddoles 494 + 10	Primrose 85 - 6
er Siddeley 494 + 10	Primrose
······································	TRUCTORII ATARE TITAL

## TUC unwilling to discuss pay curbs until after Budget

BY ROY ROGERS, LABOUR CORRESPONDENT

nthing Cristand, Foreign . EQUITIES recovered some TUC leaders will to-night tell Mr. Denis Healey, the Chancellor of the Exchequer, that they are not prepared to negotiate a new phase of wage restraint to begin in August, before they have seen his spring Budget. They are due to meet the day strike and lobhy of ParliaChancellor sud other Ministers ment, probably after Easter, in
fur talks over dinner following support of an end to wage reis special meeting of the TUC straint.

economic committee at which they hope to agree on a ham, Mr. Derek Rohinson, the common spproach on pay.

Mr. Healey had hoped to conclude s new agreement with the union committee, gave a warning unions in time for the Budgel that the Government and the meeting in Birmlng.

Mr. Healey had hoped to conclude s new agreement with the unine committee, gave a warning unions in time for the Budgel that the Government and the meeting in Birmlng.

Lin spite of the well-orchestrated shop floor campaign against any extension of pay union leaders.

Premier warns & Leyland men

men urge strike Page 12

Details, Page 5

Feature, Page 14

next month. But union leaders, some of whom fear a shopfloor revolt if a pay deal is rushed through before their individual union conferences, want to see the extent of Mr. Healey's promised tax concessions and the new price controls proposed by Mr. Roy Hattersley, the Prices Secretary.

done. The FT 30-Share index closed a little below the day's best at 376.1 to recoup 9.3 of the previous day's drop of 15.2, loopose into more considerable previous day into m

leaders remain in favour of a new agreement provided it is sufficiently flexible to accommo-date their members' particular aspirations.

The National and Local Government Officers Association. for instance, is seeking restora-tion of the recent public expen-diture cuts, while the National Union of Public Employees sees an increased TUC target minimum wage ss presenting the hest deal for its low-paid members.

canoni. Prime Minister of has defied opposition from ess Party leaders and through the nomination in son. Sanjay, as candidate in Amethi constituency in linex picked np nearly half of sh. It will be the first time y has run for public office.

STERLING recovered to the previous day's drop of 15.2, after a linear party may move to call an early special TUC conference or Congress on pay.

After h slunion executive decided to opposition from the suggestion came would have the final say on any Stanley, general secretary of the proposed new wage agreement that a special TUC general secretary from Mr. Len the first time would have the final say on any Stanley, general secretary from Mr. Len the first time would have the final say on any Stanley, general secretary from Mr. Len the first time yesterday from Mr. Len the first time would have the final say on any Stanley, general secretary from Mr. Len the first time yesterday from Mr. Len

\*\*STERLING recovered 75 points to close at \$1.7045. Its points to close at \$1.7045. Its trade-weighted depreciation narrowed to 45.4 (43.6) per cent.: dollar's narrowed to 1.12 (1.36) per cent.

\*\*GOLD fell 50c to 5135.875.\*\*

\*\*Tesolitions coming in for the Budget.

AUEW's policy-making national national It was, he said, still to early highly skilled workers came from complete to he discussed as there would have to he detailed talks with the Government to establish the facts of the detailed talks with the Government to establish the facts of the day, 500 shop stewards representing about 130,000 workers at British Leyland called for a one-possible shape of any new wages! It inflation is to be reduced.

### Saudi price-rigging claim over power tenders

BY OUR INDUSTRIAL STAFF

Ghazi al-Gosaihi, Saudi Minis sion of transformers, switchgear. The Saudi Government's objective of Industry and Electricity, electric power lines and diesel. The Saudi Government's objective of Industry and Electricity, electric power lines and diesel. It is understood that the tenders for four separate lensive civil engineering works obscure. It is understood that regions. He said that the prices in four areas, Jizan, Al-Khari the Japanese quoted a price were too high and the eight Isouth of Riyadh): Baha; and which was about 30 per cent. lower than that at the top of the field it is not known whether

That Government has now set up a committee of Ministers to investigate the way in which foreign companies, with their Saudi agents, hid for develop.

The British companies were labouring under the disadvantage of a high rate of domestic that the companies who tendered inflation which has to be taken that the companies will be harred into account in a contract

major cities.
These contracts were believed

The allegation was by Dr. The contracts involved provi- panies was prepared to comment. Ghazi 'al-Gosaihi, Saudi Minis- sion of transformers, switchgear, however.

Twn days agn the Ministry of Municipal and Rural Affairs can whose tenders were at the One theory is that the tenders celled public tenders for sewage higher end of the range, hope were rejected because the Saudi and flood-control works in three they will be given another opportunity to compete.

These contracts were believed to be worth about \$850m. cach.

The allegation of price-fixing vided by the lowest bids. They to be worth about \$850m. cach.

The companies lendering for the four electrification schemes because of the potential import of prices, and rather shocked and power plants were GEC ance of the Saudi Government by the total cost of the job.

BRITISH COMPANIES lender Overseas Services, Balfour as a fulure customer, but the ing for a £700m, electrification Beatty and Hawker Siddeley idea of collusion between British, scheme in Saudi Arabia have from the U.K.; Siemens and German, Swiss and Japanese been shocked by allegations of Man from West Germany; Brown companies in this highly comperinteringing among the eight Boverie from Switzerland; and titrive field is privately dismissed international competitors.

IHI and Mitsubishi from Japan, as absurd. None of the compensation was replaced to compensation.

were too high and the eight isouth of respect to high and the eight isouth of the field, it is not known whether the fraud the Saudi Government. That Government has now set to he individual advising Saudi Arabana to Ministers to he individual advising Saudi Arabana were to he lapanese hid met the full specification of the consultants advising Saudi Arabana were to he had advising Saudi Arabana were to he had advising Saudi Arabana were to he saudi Arabana were to he had advising Saudi Arabana were to he had advising Saudi Arabana were to he had a dvising Sau

ment contracts.

Rejection of the bids comes against a hackground of increasing concern in Saudi Arahia about the high price of major that the companies who tendered inflation which has to be taken for these jobs will be harred into account in a contract from the second round, in which expected to run for five years. They have also been nervous about the high price of major panies." movement of the pound on prices

### Devolution Bill in more trouble

the question would be revised probabilities and the terms of the Bill altered retain its sovereignty but fulure.'

to emphasise that the results will lake into account the view would not affect the unity of the expressed by the people of U.K.

which concessions, followed a 60-minute discussion of Government lactics in Downing Street, were intended to Mr. Healey's tax cut appease both Tory and Labour critics.

But the move merely sparked

another rehellion. Lahour antidevolutionists, joined by the Tories, protested that the changes had created even more Mr. Eric Heller, a leading Left. Appointments. Advit. wingar, forced a vote to adjourn Arts

the Committee stage — now in the committee stage — now in the introduced amendments to clarify its intentions.

The Government averted the loss of another seven hours' Gardening Exchanges FT. Actinaries indices Gardening the defection the move by the contracts. debate hy defenting the move hy Herro Contracts ...

231 votes to 202—a majority of intl. Company News

29. Scottish Nationalists, though Labour News

protesting about the changes, Leading Articles ...

voted with the Government. The immediate reaction held out little hope that the Govern-

the questinn would be revised proposals mean Parliament will political

passage.

"no great mystery." There was matter."

Mr. Michael Foot, leader of the no intention to transform tha Mr. Foot said the Government had decided to change referendums in the proposed referendums in opinion polls.

Scotland and Wales.

The referendums would be arguments for a consultative and not mandatory, referendum he helieved this statement about the provisions be said. In addition the form of the ouestinn would be revised proposals mean Parliament will political prediction of the decided to change references to the unity of the U.K. in the new clause to make it "quite explicit that this is a factual statement about the provisions would be a helter way. "The of the Act add not a general proposals mean Parliament will political prediction of the

Devalution switch provokes rehellion, Page 12

### W. Bengal polities ...... The Caribbean Press ... CARICOM economy ... Delays for Euro-parlia-Steel stockholding ..... A Levland profile ..... 13 FT SURVEY London Metal Exchange 15-30 . Turkey's divided gnvt. ON OTHER PAGES Wealher World Trade News ANNUAL STATEMENTS Adressed Eras. .... W. Camping & Co.... Nardys & Hansons .. INTERIM STATEMENTS Home Costracts ...

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**FEATURES** 

### Callaghan calls CBI to Bullock talks

By John Elliott, Management Editor

THE PRIME MINISTER for-THE PRIME MINISTER for-mally launched the Govern-ment's hid last night to coar the CBI Into accepting industrial democracy legis-lation when he invited their leading representatives to start talks no participation below Board level with senior Ministers Ministers.
But this does not mean that

the Government Intends to bridge from its commitment to introduce legislative proposals this summer on worker directors, following publication last muth of the Bullock Report. Its significance is that, as the Prime Minister spelt nut last night, the Government wants to achieve the largest possible measure of agreement for its worker-director legislation. To this end Ministers are prepared to start their post-Bullock consultations with the CBI hy examining the problems of participation from the shop floor upwards.

### Delegation

Lord Watkinson, the CBI president, who led a six-man delegation of senior industrialists to the hnur-loog meet-ing with the Prime Minister at Westminster, said he would put the offer to the monthly meeting of the CBI's Grand

Conncil to-day.

If, as seems likely, the council accepts, Mr. John Methyen, CBI director-general, will hald exploratory talks with Mr. Edmand Dell, Secretary for Industry.

tary for Industry, The Prime Minister was accompanied at the talks by Mr. Dell; Mr. Eric Varley, Secretary for Industry; and Mr. Albert Booth, Secretary for Employment. He said that he respected and understood the CBI's objections, even if be could not accept them.

The CEI leaders based their

representation, and unions monophilsing the choice of the worker directors. "On these three points there can be an give from the CBI at all. These pnints are nnt discussable, declared Lord Watkinson.

He summed up the meeting when he said: "We have really not progressed very far: we have not fallen nul at the first fence," and added that he had inid the Prime Minister that "If you iry to ram the Bullock Report down nur throats you will meet noremit

ting hostility."
Walkinson on pay curbs.
Page 9

### Nine agree on fish stock protection

BY ROBIN REEVES

BRUSSELS, Feb. 15

Common Market's long and com- the Common Market's long and complicated disherles negotiations and in other policy
was achieved here to-day when
Agriculture and Fisheries Ministers of the Nine reached agreeneed on the basis for s Combefore to-marrow's unprecemunity regime to conserve fish
tensors inside the new 200 mile the Community and the Source limits.

2.-A tolal han on Celtic Sea herring fishing from March 1 to the year's end;

25 per cent. from April 1.

In addition, strict controls are envisaged on the activities of factory ships operating inside the Community's new 200-mile zero. Community's new 200-mile zone.

### Irish ban

Patrick Donegan, who holds the newly created post of frish Fisherles Minister, announced that this Government would be infro-his Government would be infro-ducing from March 1 a unilateral is clearly just the start of a han prohibiting all vessels of Common negotiated fish stocks 110 fr. or 1.100 brake-horsepower conservation regime.

ment on other cooservaling measures, it did not consider munity recognition of the brish f in New York fishing industry's special need to xpand.

Dublin's unilateral action was the subject of same initial anger, notably from the Germans, the French and the Brussels Com-mission. The latter warned of

A BREAKTHROUGH in the the possible repercussings for

stocks inside the new 200-mile the Community and the Soviet limits.

Government to discuss a pas-Principal elements in the sible reciprocal fishing agreement include:

These talks will represent the I.—A total hun on North Sea herring fishing between February 2S and Aprit 30, with a possible extension to be considered later;

These talks will represent the nearest the Russians have come to affording the Community diplomatic recognition.

### Crucial

3.—Closure of an area to the A key element of to-day's North and East of Sentland to breakthrough was that it presented from Fehrusry 28 in the size of the onx:

4.—Industrial fishing to be subject to a reduction in the maximum whitefish hy-catch rolerance to 20 per cent. (from 25 per cent.) from April 1.

Progress would not have been possible had not Mr. Paul Datsaver, the Danish Agriculture and Fisheries Minister, agreed to lift his Government's overall While to-day's agreement met conservation accord among to the most pressing conservation Foreign Ministers and tried to demands of the British Covern-push the negotiations to a demands of the British covern-push the negotiations to a demands of the British covern-push the negotiations to a demands of the British covern-push the negotiations to a demands of the British covern-push the negotiations.

### Conservation

The CEI leaders based their objections on their three basic stleking points an which they say they are not prepared to consult.

These are statutory imposition of trade union-nominated worker directors, parity of representation, and unions greater concentration of fishing activity in Irish waters by EEC boats, following the more to boats, following the more to an ad hoc group of senior nificials of the Nine, plus the Commission. Included in their brief are the British and Irish demand for an exclusive national fishing for an exclusive national fishing While accepting to-day's agree- hand of up to 50 miles offshore.

\$1,6560 (2560) 1,804,35 (1) 8,513 (6) (2) #1,7945-7050 1,65-1,60 thr

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### LOMBARD

### Why poor people get poor value

BY ANTHONY HARRIS

SOME potentially rather ex-well off; how? why? to what plosive evidence about poverty purpose? and what has been plosive evidence about poverty purpose? and what has been have been given to the Royal Companies to his real income mission on the Distribution of recently? One of the first lessons income and Wealth by the I learned in economics was that National Consumer Council, a one cannot say that a doubling hody whose potential disorder of consumption means doubling turbance-value is beginning to happiness; in discussing welfare, the learned in the consumption of consumption means doubling turbance-value is beginning to happiness; and what has been happened in the first lessons. look quite large. Its message is one can only say that this man that the poor are poorer than we is hetter or worse off than think, heravise they get worse another, and better or worse off think, hecause they get worse another, and better or worse off value for their money, and that than he used to be. The absorbis gap has got higger in the lute numbers are virtuslly last 15 years, and especislly in meaningless. the last 12 months. Lahour rule, in other words, is bad for pensioners and the low paid.

In any case, the NCC's evidence is rather a mixed hatch. Much of it rests on an assertion and the low paid.

inspire confusion of mind.

Consumer detriment is rather an odd concept. It hrings together such ideas as that poor

At this stage of the pay negotistlons, such an invitstion to ssk
for higher pensions, preferential treatment for the low paid, continued subsidies and the rest areas—have a high proportion of that poor people depend much more than rich ones on amall local shops. I find it hard to helieve that this fact has the significance the NCC supposes. So high proportion of the low paid, continued subsidies and the rest areas—have a high proportion of the low paid.

**RACING** 

BY DOMINIC WIGAN

### Confidence in Lanzarote

LANZAROTE must win to-day's a smooth success from The Last Reynoldstown Novices Chase if Light and Newfoundland in Ayr's Fred Winter is to let him take valuable West of Scotland his chance in the Gold Cup. Pattern Novices Chase.

I feel confident he will come through with flying colours. An impressive winner from Julian given his supporters every nope in his two races over fences that he can prove as good in the chasing field.

ASCOT 1.39—Midsummer Lad\*\*\* 2.00-Tree Tangle 2.39—Outpoint 3.00—Otter Way\*\* King Flame e.w.



SOUTHERN

TYNE TEES

Omar Sharif and James Mason.

10.00 Party Political Broadcast on behalf of the Conservative Party.

10.10 News.

10.10 News.

10.10 News.

10.10 News.

10.10 The Wednesday Special:

10.10 Bouseparty. 2.25 Randall and Hopkirk (Deceased), 3.50 Mr and Mrs and Mrs and Mrs and Mrs and Mrs and Mrs and Challeton ut the Stones 8.00 The Wednesday Film:

10.10 Bouseparty. 2.25 Randall and Hopkirk (Deceased), 3.50 Mr and Mrs and

Service except: L20-L25 a.m. Penawdad Newyddion y Ordd. 420 Miri Mawr 435-45 Un Tro. 6.03-615 Y Dydd. HTV West-As HTV General Service Foothall II 35 Pathfinders.
All ITV Regions as London except at the Ioliowing times:-ANGLIA SCOTTISH

News. 2.00 Rouseparty. 2.25 Cash and Company. 3.50 Mr. And Mrs. 5.15 University Challeugu. 6.00 Abour Anglia. 8.00 The Wodnesday Pilm: "The Houble Man" starring Yul arymer and Brio Eldand. 11.35 Music In Camera. 12.85 a.m. The 2tg Ouestine. 12.30 p.m. Whose Bab.? 11.25 Road and Weather Report. 2.00 Houseparty. 2.25 Department S. 3.25 Mr. and Mrs. 5.25 Pipet and his Friends. 5.20 Crossreads 6.00 Scotland Trday. 6.30 Battle of the Comics. 19.40 Police Woman. 11.45 Late Call. 11.45 The 2ig Break SOUTHERNY
1230 p.m. Whose Baby? 1.20 Southern
News, 2.00 Southern; 2.25 Jasoo King
3.50 Mr. and Mrs. 5.15 Popers. 5.20
Crossroads. 6.00 Nay by Ray. 6.00
Wednesday Action and Adventure
"Funeral in Berlin" starring Michael
Cains, 11,60 Southern News Extra. 11.50
Called To The Bar.

10.10 News. 10.40 The Wednesday Special:

CHANNEL .

Film: "Genghls Khan," starring west Headines, L15 Report Wales Read. Survey. 128 Read. Survey. 128 Report Wales Read. Survey. 128 Read. Surv

**GARDENS TO-DAY** 

The companion of the co

### Horizons reduced by price of fuel

REMORKE BOND OXO'S specified last time out, with a superstress over fences that no prove as a good in the change specifier on March 25 and continues at Northingham.

Thirsk, Ayr, Warwick, Newmarket, Wedverhampun and Kempton Park, with the changinghing final at Haydock on October 2.

I Lanzarote made an even more principant final at Haydock on the Waltheast of t

a pair ol young lesves.

their way of curling their leates and young shoots whenever you touch them lightly. There was even a Cattleya, most opulent of all orchids.

Why worry with s hot-house, you may wonder, when houses have airing cuphoards and a warm kitchen? If you sow these tropical seeds in boxes and cover them over with polythehe hags, yon can indeed leave them in soldark cuphoard and expect a certain success in coaxing them into a pair of young lesves.

Their cause has heen donc and have not let me dowo io great to explain the fine exhibits and the spring RHS flower shows: here, Lewisias see grown in the shallow pans filled with a rich shallow pa

It would be worth putting part

varicties of Lewisia Cotyled which are sold as the Sur Strain. They range throughinks, reds, yellows and oral and have not let me down in a season. It is unrealistic to expart true named variety any these various colours; the hetween one another a fract. Only those behald and

BBC 1 7.05 a.m. Open University (UHF only). 9.15 For Schools, Colleges. 10.45 You and Me. 11.00 For 10.45 You and Me. 11.00 For Schools, Colleges. 12.45 p.m. News. All Regions as BBC 1 except at the following times:

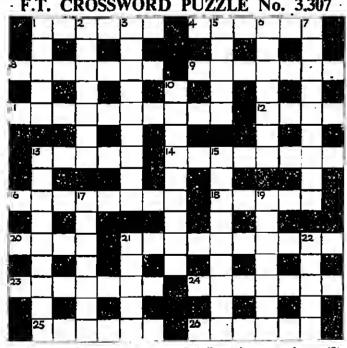
Tails. 2.01 For Schools, Colleges. 2.38 p.m. I Ysgolion. 3.53 Regional News (except Flenestri. 4.40 Crystal Tipps and Lindon). 3.55 Play School. 4.20 The Wombles. 4.25 Jackanory. 5.55-6.20 Wales To-day. 6.55 4.40 The Great Grape Ape Show. Heddiw. 7.10 Pohol Y Cwm. 7.40-5.05 John Craven's Newsround. 9.90 "Touch And Go." starring 5.40 News. Weather for Wales. 5.40 News. 5.55 Nationwide (London and

South-East only). 6.20 Nationwide.

6.58 The Goodles—Almost Live.
7.25 Into the Unknown: "Forhidden Planet," starring Walter Pidgeon.
9.60 Party Political Broadcast on behalf of the Conservative Party.

11.15 Sportscene. 1t.55 News and Weather for Scotland.
Northern Ireland—10.23-10.45 n.m. For Schools: Ulster in Focus.
3.53-3.55 p.m. Northern Ireland News.
5.55-6.20 Scene Around Six. 11.55 News and Weather Ior

9.10 News. 9.35 The Regiment. 10.25 Sportsnight. 11.15 To-night. 11.55 Weather/Regional News.



papers (1)

11 Wash lightly with soap—the doom is nigh (7, 2)
lighter the hetter at tea-time 17 Nn Scots perfume is coming

14 Jumper supplied with front pocket (8) 16 Originator of Alpine trunk

18 With which to achieve end of money (5)

20 Is two a flower? (4) 21 Handle correspondence and sign by the way (6, 4) 23 Stick around on railway for mafficking (7) 24 Emhrace oriental wile 17)

25 Mcss left by a lot of cuba (6) 26 How's that for attraction? (6) DOWN 1 Vote wholeheartedly for stout

2 One member elected upset for example hy strike (7)

3 Severely criticise driver for

organising savings (5, 4)

the following times:—
Wales—2.18-2.38 p.m. I Ysgolion.
Flenestri. 4.40 Crystal Tipps and
Alistair. 4.45-5.05 Lion a Llwyd.
5.55-6.20 Wales To-day. 6.55
Heddiw. 7.10 Pohol Y Cwm. 7.409.00 "Touch And Go," starring
Jsck Hawkins. 11.55 News and
Weather for Wales.
Scotland—10.23-10.43 a.m., 2.182.38 p.m. and 2.40-3.00 For Schools.
5.55-6.20 Reporting Scotland. 10.25-

F.T. CROSSWORD PUZZLE No. 3,307

ACROSS

5 Sailor takes poem home (5)

1 Minister snoops hy road 5 Difficulty of having to cover up novel heroine (7)

4 Explain how to vote (3, 6)

10 Sailor goes by jet lt'a smoother (4, 5) 13 Front lighting gives leading players a terrible time (4, 5) production of Hamlet (7)

9 Officer departed to order 15 Quite a few eat at night when

to life (7)

12 Spley Item Ior office staff (4)

13 Period with a certain charm

13 Confirm a piano test (7) to life (7) 21 Coin lound in place of heastly shoemaker (5)

22 Ropy material for making SOLUTION TO PUZZLE

No. 3.306

MORMMOOD MURMUR A O I M N U U INTERNAL ODDSON T A I L E L A EWTANGLE ARCING R E G E C M N A S F J E N 7 E RETROGRADE

O A R S I S C A

CURATE STICKLER

U L R A R O R

RALISED ASSIMTME

E M S L M H A

DIGEST REAPPEAR

Six. 11.55 News and Weather Ior Northern Ireland.
England—5.55-6.20 p.m. Look
East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlsnds To-day (Blrmingham); Points West (Bristol); South To-day (Southampton); Spotlight South-West (Plymouth).

BBC 2

6.40 a.m. Open University, t0.35 Nai Zindagi Nava Jeevan. 11.00 Play School visits New-castle upon Tyne. 1.45 p.m. Racing from Ascot.

5 45 Open University. 7.00 News on 2 Readlines. 7.05 Trade Union Studies. 7.30 Newsday.
7.30 Newsday.
8.10 Pro-Celebrity Golf.
9.00 Party Political Broadcast
on behalf of the Conserva-

ilve Party.
9.10 One Man and His Dog.
9.40 The Velvet Glovc.
10.55 Arena: Cinema: "Network"
with Peter Finch—discussion: Cavalcanti talks about

ATV MIDLANDS
12.30 pm, Whose 2sby? 120 ATV
Newsdesk. 3.50 Mr. and Mrs. 5.15 Tha
Filintrones. 6.00 ATV Triday. 2.00 The
Mid-Week Film: "Haupher" starsing Paul **BORDER** 

9.40 The Velvet Glove.

10.55 Arena: Cimema: "Network" with Peter Finch—discussion: Cavalcanti talks about his career.

11.20 Lale News on 2.

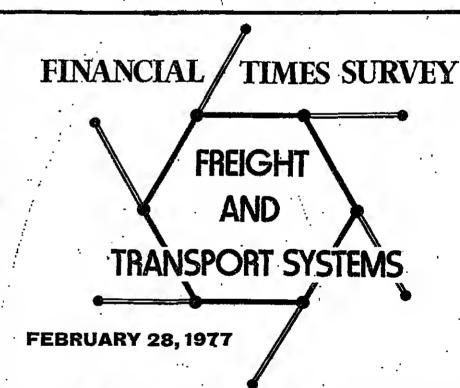
11.40 Closedown: Ronald Pickup reads "The Last Mystery" by Jon Stallworthy.

LONDON

9.30 a.m. Schools Programmes.
12.00 The Adventures of Rupert Bear. 12.10 p.m. Rainhow. 12.30 Employee followed by News and Weather Thing: "The Double Man," starting Val Brynner and Brit Ekland. 10.40 Afternoon. 2.25 Marcus Wethy, MD. 3.20 Rooms. 2.30 Whose Baby? 4.20 How. 4.45 Horse in the House. 5.15 London Scene. 5.45 News.

6.00 This Is Your Life. 7.30 Coronation Street. 8.00 Wednesday Adventnee. 12.35 p.m. Whose Baby? 1.26 This is Your Right. 25 Thombie Medical Street. 12.36 p.m. Whose Baby? 1.26 This is Your Right. 25 Thombie Medical Street. 12.37 p.m. Whose Baby? 1.26 This is Your Right. 25 Thombie Medical Street. 12.38 p.m. Whose Baby? 1.26 This is Your Right. 25 Thombie Medical Street. 12.39 p.m. Whose Baby? 1.27 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.27 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.27 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.27 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.39 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.28 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.29 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.29 This is Your Right. 25 Thombie Medical Street. 12.30 p.m. Whose Baby? 1.29 This is Your Right. 25 Thombie Medica

مكنا من الرصل



The Financial Times proposes to publish a Survey on Freight and Transport Systems in the edition of February 28. This survey will cover all aspects of transportation, including the scope for using pipelines: its coverage will deal with the ancillary services, including mechanical handling, computers and insurance and will cover future trends.

Articles in the survey will include: INTRODUCTION: While freight transport is a vital element in all industrial activity, it is subject to wide-ranging and ever-growing Government intervention for political, social and economic outlook for non-containerised reasons The User's Viewpoint-An ap-

praisal of current trends.

Technological Change—Current research programmes and future research needs. Patterns of Freight Movement— Factors behind the present pattern of freight movement in the U.K. and on the Continent.

ROAD HAULAGE: Haulage Services—The evolvement from a cottage industry to a specialised and sophisticated operation. Continental Operations-Difficulties for U.K. carriers to break into

Continental haulage markets. Equipment—The next steps the lorry makers plan to make. RAIL SERVICES: Role-What and Other Equipment-The defuture for rail? Bulk Rail Freight Services—The

plans for specialised services.

Parcels and Wagon-load Traffic-Competition and development within this business. SHIPPING SERVICES: tainerisation-The next steps in

unitised cargo services and the general cargo services. Bulk Trades-Latest developments and future prospects for carriers and services.

Ports—The next generation of changes and-current problems. AIR FREIGHT: Air Freight Services-The present role and future prospects of air freight.

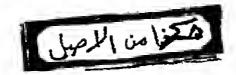
Equipment-The air freight market—and its suppliers. Airport Facilities-Airports' future

OTHER CARRIERS: Pipelines-The scope for using pipelines. GENERAL: Freight Forwarders-The changing role. Mechanical Handling, Computers

velopment of this equipment. Insurance—The insurance aspects of freight movement. The proposed publication date is February 28: copy date is February 18. For full details of the synopsis and advertising rates

contact Richard Willis on 01-248 8000 Ext. 7048. FINANCIALTIMES

EUROPE'S BUSINESS NEWSPAPER cation dates of surveys in the Financial Times are subject to change at the discretion of the Editor.



# The Glass Menagerie by B. A. YOUNG Hapless families by CHRIS DUNKLEY



The similarities between the neighbours were a hail-fellow-been startled by the jump cuts always staved. It is one of those BBC I drama sextet Futhers And well-met boozer and a spiteful which look out of place.

Families and Granada 13 part little interfering minx. The Actors could hardly he left idealistic moves which peopla serial This Year Next Year are children were a sullen daughter unaffected, though Dinsdale make, and naturally it disturbs too obvious to be ignored. Both and a dim-witted son.

are (in the inelegant but memorable words of Hugh Cupdlipp even such repugnant collections Sure enough, however, some of the rural idyl) has, so far. been when killing the Daily Herald as this were the plays and the the other performance essential altoerther too idyllic—the aun when killing the Daily Herald as this, were the plays and tho the other performances, especial description of characters in them not so ally from Dorothy Bromiloy as shinos, the curiews trill, and that the age we live in." They are uniformly bumourless. They the solicitor's wife and Louise effect prodigal son finds honest not about Jacobeans or Edwarmake Ibsen seem positively Hali-Taylor as his daughter, have dians or even Georgians but flippant. It is absurd to go to heen extraordinarily stilled.

Both are concerned with the tensions of urban society, tho eakening of family structures. the rapidly changing rôle of women within the family and

Shaw, public relations consultant, "Winter Shapes." was easily hopkins whose 1966 quarted impossible to helieve in the most powerful piece of sustained that the dialogue occasionable techniques and the dialogue occasionable techniques and the dialogue occasionable techniques and the dialogue occasionable techniques in the dialogue occasionable techniques and the dialogue occasionable techniques in the d

The Entertainment ing hecause you could not get more prestige or a better track record behind the production team if you tried: the producers are. Mark Shivas (Glittering Prizes, etc.) and Stella Richman worth with the resultant difficulties and doubts of the patriarch in particular and of men in general.

Both feature a hitherto successful middle-aged father: in snot the worst of it. On the castful middle-aged father: in snot the worst of it. On the patriarch in particular and of men in general.

Astonishingly, however, that is not the worst of it. On the recently, now returned to direct rediscover rhyllm in the seasons shaw, public relations consultant, was public relations consultant, the hest so far. Though if was Talking To A Comment is the situations he puts them in, the situations here.

the age we live in. They are make Theen seem positively Hall-Taylor as his gauginer, have dians or even Georgians but flippant. It is absurd to go to heen extraordinarily stilled.

The problems which such langths in the name of a preoccupy us, or realism as to ensure that the as one of those emperor's clothes at any rate those of us labelled noise of passing suburban trains clangers. Yet it is, as I finch keeps umpteen positively Hall-Taylor as his gauginer, have been sons of toll to gather in the good golden hay. Also, this have come to preoccupy us, or realism as to ensure that the as one of those emperor's clothes clanger work, there is a good deal of hopping about as remarked, startling and mystify boil: the invalid stepson, the house early his new wife carryhrother and his new wife carrying on the family's farming tradition, and so on.

Yet thore is no difficulty in betleving in Finch's people, or in

estival Hail

### HILL WITE

### Die glückliche Hand

by RONALD CRICHTON

Mahagonny

by MICHAEL COVENEY

### in brief

Mole-Richardson, the stage and studio engineers of Thetford, Norfolk, whose recent projects have included work for the National Theatre, have signed a contract with the Serbian National Theatre in Novi Sad, Yugoslavia This is for all ataging and accordated equipment includ-

hove all, they require expert approach, was indeed aging.

This is not what they get in there were certainly no tricks stands to talling authority and other cash grants totalling £00,000. The stands what they get in the were certainly no tricks are totalling £00,000. The stands what they get in the were certainly no tricks grants totalling £00,000. The stands what they get in the were were certainly no tricks grants totalling £00,000. The stands what they get in the stands to talling £00,000. The stands to present the star will remain open to the certainly not three more seasons and the new 500-seat building is expected to usuiffy.

In a series of compy, staged to justiffy.

In the "Alabetre to hire a company of real same Song" when all that is singers and have them do hattle required is that it should be with the music while we to the sunger." A beyy of chorus hony audience did the fantasising is Sneakeasy pinstripes and required in feeding and their as a lissom conjurer in a leotand any through "Life in Geoffrey Burridge shoring up lahagonny" without any real the close harmony and Jenny ffort to communicate the heart Logan and Anitz Dobson in the large of the sun is that of Michael Feingald.

This is not what they get in there were certainly no tricks and other cash grants totalling £000,000. The present theatre will remain open the care will remain open the care will remain open the care will near the provide a stage metaphor in the more seasons and the new 500-seat building is expected to system, on the backing hand and ful at the backing hand and the singers, and on the sound paystem, on the backing hand and it at the backing hand and the system, on the backing hand and the surface of the Royal Opera on February 28, with Jon Vickers with the music while we lot the first that the backing hand and the singers, and on the slinky white exposes the fragility of it all. Certain the first the february 28, w

Bush Theatre

### Come Jubilee

by MICHAEL COVENEY

by RONALD CRICHTON

schoonberg's Die glückliche likely to come out well on a the fact that all the apparatus is sind to make the state of the same that the second of the state of the same that the same to the same to the same that the same to the same that the same to the same to the same to the same that the same to the same that the same to the same to

Albert Hall

### **ABBA**

by ANTONY THORNCROFT

This lunchtime presentation in the "Benares Song." And nassociation with The Goethe when Mahagonny is revealed as istinute) is of the half-hour an illusionary place, despite the regular than state of the full-scale show The Rise Mahagonny." ("One morning and associated equipment, inclinding the installation of machinery, and is worth nearly \$750,000.

It really comprises Mahagonny.") the company close of when the sky was grey/swim others who fed them tales.

It was only the fact that the surface of this production and the figure most avections musical settings.

The Magician is an invention mong the most advecturous and of this production and the figure miplex of the entire output. Summarises the misguided hove all, they require expert approsch.

For if Mahagonny, no tricks are controlled a promoted a city of illusions, was Indeed a city of illusions, as not what they got in there were certainly no tricks as a sumer.

National Theatre, have signed a contract with the Serblan National Theatre in Novi Sad. Yugoslavia. This is for all ataging and associated equipment, inclinding the installation of machinery, and associated equipment, inclinding the installation of machinery, and associated equipment, inclinding the installation of machinery, and is worth nearly \$750,000.

Reviewing ABBA is like cause it possessed the typical reviewing a halance-sbeet—the Sedish sense of humour.

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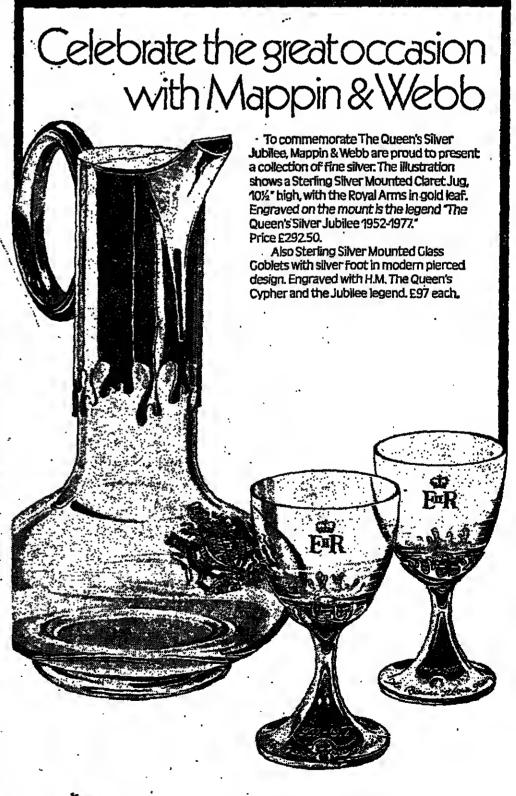
Reviewing ABBA is like cause it possessed the typical reviewing a halance-sbeet—the Sedish sense of humour.

Reviewing ABBA is like cause it possessed the typical reviewing a halance-sbeet the sedish sense of h

already half-way to the target.

The appeal to huild a replace lives up to its commercial sue. Behind the few minutos of comment for the Pitiochry Festival lives up to its commercial sue. Behind the few minutos of comment for the Pitiochry Festival lives up to its commercial sue. Behind the few minutos of comment for the Pitiochry Festival lives up to its commercial sue. Behind the few minutos of comment for the first always which even the foundur time in an attempt to turn its tion of a dramatic finale based grants totalling £800,000. The present theatre will remain open for three more seasons and the new \$00-seat building is expected to open in spring, 1980.

Honey had obviously been well star could not make seem import the spent in lighting, on the sound portant. ABBA is very successing system, on the backing hand and ful at the basics, but the reality singers, and on the slinky white exposes the fragility of it all.





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### Some important facts about the fastest growing region of the German Federal Republic -the South.

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### EUROPEAN NEWS

### Portugal to apply formally this year to join EEC

DR. MARIO SOARES, the Portu- be envisaging more rapid inte-main benefits to the community guese Prime Minister, yesterday gration into the EEC than he of Portuguese membershi spelled out more clearly than has in past pronouncements, in would be political, there would

Socialist Government has staked of catastrophic consequences if and the scope for capital investits future. the Nine Speaking in London at the end request.

speaking in London at the end request. The Government's offer. Portugal would also serve of the first stage of a tour of authority would be undermined as a bridge between the comment of the comment of the former portugal would also serve of the first stage of a tour of authority would be undermined as a bridge between the comment of the former portugal would also serve of the first stage of the former portugal would also serve of the first stage of the former portugal would also serve of the first stage of the former portugal would also serve of the first stage of a tour of authority would be undermined as a bridge between the comment of the first stage of the first sta that he would lodge a formal strict dependence on the U.S., application for Portugal to enter stognation and isolation or a the Common Market after he future os "some kind of Euro-completes his tour next month. pean Cnbo." The Community

The next stop would be for itself could not survive for long the Nine to agree to open nego- if the countries of southern tlations this year, or in early Europe became "an easy terget 1978 at the latest. The political for proletarian regimes and polidecision to odmit Portugal must ticol instability," he said.

The attitude towards Portugal the next year he said adoled by the Nine Fortugal adoled by the Nine Fortugal adoled by the Nine Fortugal

ever before the steps by which which he has spoken of the need also be economic advantages. He he plans to achieve the full for a 10-year transition period.

EEC membership on which his Dr. Soares once again warned fisheries and mineral resources. the Nine turned down Portugol's ment, which his country would

> the "total support" for Por tuguese membership which had been expressed by Mr. James Callaghan, the Prime Minister. during his London talks. He hoped that Britain would use its "prestige and outhority in the community" to further the Portuguese hid."

thus he taken in the course of the next year, he said.

Looking further ahead, Dr. Ministers in Brussels last week

Soares said he was convinced that Portuguese industry would said. At that meeting, the Nine totally in favour of Spanish he ready for full integration into the Community by 1985. He was less clear ahout the precise target date for entry, saying only that ha boped his country would tackle the country's serious be accepted as e full member would first be needed to would be in the near future, that ha boped his country would tackle the country's serious Later, Dr. Soares hegan that he would be in the near future.

"much before" 1985.

The attitude towards Portugal community" to further the Portuguese hid.

Dr. Soares said that he was extremely positive." he Dr. Soares said that he was extremely presting and outnority in the community to further the Portuguese hid.

Dr. Soares said that he was extremely positive." he Dr. Soares sa

### **EEC Court advised on fines**

FINES IMPOSED by the Euro- The Advocate General, whose amount varying according pean Court of Justice should opinion is likely to be endorsed each currency's movement reflect current money velues, by the Court sitting hefore Following EEC Committee though they are officially Easter, said that "the suger complaints about the exp set in a European unit of companies must pay in their account that was established national currencles."

opinion delivered to dey hy the lire, which hy early 1976 hed Advocate General, Mr. Jean-fallen far helow the 1969 level Pletre Warner, hefore the on which this type of unit of Warner's opinion, the implica-Luxembourg court following the account wes, end is still, based, tion is that the sugar companies case in which nine European Tha effective advantage to the will have their fines recalculated sugar companies were fined a French companies was 33 per in their national currencies, and total of Löbn. units of account cent, to the Belgian 35 per cent, will then have to pay the differin December 1975, for illegal to the Dutch 40 par cent; and ence between that and what market practices.

The Advocate General, whose amount varying according

before exchange rates generally The companies bad all decided to finest to pay their fines—denominated This was the thrust of an in units of account—with Italian

Following EEC Commission complaints about the exploita tion of this loophole, two French companies sought an interpreta tion from the Court, and Mr Warner's opinion to-day is the first stage in this process.

If the Court npholds.

### France will tighten S. Africa arms policy

By Robert Mauthner

PARIS, Feb. 15. FRANCE WILL re-enforce its embargo on arms sales to South Africa, though naval equipment will still be excluded from the ban, French President Valery Giscard d'Estaing announced last night at the end of an official visit in Ramako, the Mall capital.

The French embargo on military aircraft and land armament sales to Sonth Africa was first proclaimed officially during M. Giscard d'Estaing's visit to Zaire in August 1975. But he made clear at the time that orders already placed would he

Last night, however, Presi-ent Giscard d'Estaing emphasised that not only would no new air and land military no new air and land military equipment be sold to South Africa, but that the French anthorities had taken special measures to prevent any deliveries from slipping through the official net.

It is understood in Paris that

the re-enforcement of the embargo will also put a stop to all supplies of spare parts for military equipment such as Mirze country to the country of the cou Mirage combat aircraft, hell-copters, tactical missiles and transport aircraft aircady delivered by France to South

The measures, however, will probably have less practical effect than might appear at first alght. The Mirage and some other equipment have been manufactured under license in South Africa for some time, and the South Africans are known to have both the know-bow and industrial capacity to manufacture most of the mili-

tary equipment they need.
At the same time, France, which has already supplied S.
Africa with three Daphne class submarines and hos received further orders for at least two 12,000-tons Agosta class suhmarines worth about £35m., which are due to he delivered at the end of next year, will continue to sell naval equipment to South Africa.

The official French justifica tion for such a dual stance is that naval equipment can be used for external defence only and can not be employed to put

and can not be employed to put down local insurrections. —
France's political motives are elear: it has been much editicised recently by independent African countries for pursuing an ambiguous policy. President Giscard d'Estaing may have gone some way to dispel some of the hostility, bot it can hardly have escaped his-hosts that his African policy conthat his African policy con-tinues to maintain a fine-balance between France's commercial and political interests,

### Paris election candidates named by Left

By David Curry

PARIS, Feb. 15. THE THRKE parties forming the French Union of the Left have agreed on the names of have agreed on the names of candidates to carry their joint colours into the Paris municipal election next month. They will support 44 Communist candidates, 43 Socialists, nine Radicals of the Left and n'ne people of left-wing views hut no formal affiliation to contest the 109 Paris seats. the 109 Paris seats.

More narrowly, in the nine arroudissements where the Left is given a chance of winning, it will field 27 Communists, 21 It will field 27 Communists, 21. Socialists, five Radicals of the Left and four unaffiliated left-wingers. The Communists have won their hattle to head the lists in all five of the arrondissements where the Left won last time round, but Socialists will lead the battle in three of the other four constituencies.

will lead the battle in three of the other four constituencies which the Left could win.

The Communists had accused the Socialists of trying to encroach on traditional areas of Communist strength on the basis of their much improved electoral performance over the past few years and relative decline of the Communist vote.

Meanwhile there is speculation that M. Chirac may, if he demonstrates his political power by hringing his lists in well ahead of M. D'Oruano at the first round of voting, stand down in favour of a compromise candidate.

### Norway-Soviet fishing row

By William Dullforce BRITISH fishermen may be indirectly affected by the cooling in diplomatic relations between Norway and the Soviet Union. Although Mr. Knnt Frydenlund, the Nor-wegian Foreign Minister, said here to-day that be had received no indication that the Soviet Union was breaking nff the talks between the two countries nn the Barents Sea fishing, the Russians did not resume the talks at the eod of January as schoduled.

A halt to these talks could delay Nurway's negotiations with the EEC nn reciprocal

with the EEC nn reciprocal fishing rights.

A Norwegian newspaper reported to-day that the Soviet Union had broken nff the talks following the expulsion by Norway of six Soviet citizens, including four diplomats and the Tass correspondent, ebarged with illegal activities.

### Irish torture and police issues take new turns in Dublin

THE TWIN in there questions when interrogating IRA su which have been dogging Angle- To-day, in the second of a three lish relations of lote, to-day took part series it is running, the onew turn. The Duhlin Govern- Irish Times instanced farther than the property of the control of the

ment confirmed reports from cases where such methods Strashourg that the European allegedly carried out. Human Rights Court has decided The allegations, in spite of Human Rights Court has decided The allegations, in spite of the to pursue the controversial tor unfortunate timing of the row ture case brought against Britain are being welcomed in some over the security forces interro- government circles as giving a gation methods in Ulster in 1971. needed airing to the issue of At the same time, the Irish occasional police brutality which cabinet is understood to be 00 in recent months has been cause the point of announcing the ing growing concern. Although formation of an independent the Irish are quietly politing must complaints Board to study the that the methods which must recent spote of allegotions of have been used by some police. Garda police hrutality triggered men are hardly the sophisticated by a series of revelations in sensory-deprivation. by a series of revelations in sensory-deprivation technique ireland's leading daily news employed briefly in Unier, paper.

number of Cabinet Ministers are
According to Duhlin officials, nevertheless keen to demon,
the Human Rights Court which strate that brutality will not be

heard loriure charges by Ireland tolerated, against Britain last week to The sett heard forture charges by the coincidence of allegatinns that the association. Clearly, with the Republic's plain-clothes detec-Republic's plain-clothes detec government opposed to the closest the detection of a Gorda trade union "—emolor similar physical a complaints machinery could be psychological techniques a hargaining counter."

### Yugoslavia hits at West over dissident campaign

rUGOSLAVIA to-day accused abroad in a campaign to include the West of "poisoning the Yugoslavia omong Soviet blor otmosphere" for the fortbcom-countries accused of violating ing review of the 1975 Helsinki human rights. Mr. Jjilas har Conference on European Secu- said up to 00 political prisonen rity and Co-operation by dwelling are in Yugoslav jails.

on the issue of humon rights. The Soviet Union and Czecho In its counter-offensive against slovakin have levelled similar dissident movaments in Yugo- charges against the West in Slavia and elsewhere in Eastern clear oftempt to hlame others.

lewspaper Borba said in a com- begun by their own citizens. meotary that Yngoslavia rejected Meanwhile. Soviet dissidents any attempts at the imposition Andrei Sakharov has said that on of its population of the Western an army of KGB political police. concept of liberty.

If outsiders were anwilling to dissident movement to keep the accept Yugoslavia's hrand of from speaking ont an human to independent Commonism, Borba rights violations.

Said, "this is not a reason for Professor Sakharov said the other than the said of the other than th

anyone from abroad to strive to arrest of three leading dissideations denigrate our system or to this month was part of an efforton independence to stifle the movement's voltage from bloc positions."

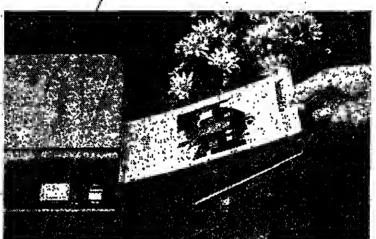
hefore the follow-up conferences to stifle the movement of the follow-up conferences to the follow-up con Yugoslavia bas accused writer in Belgrade in June on third in ... Milovan Dillas and other dissi Helsinki agrement. dents of being directed from UPI

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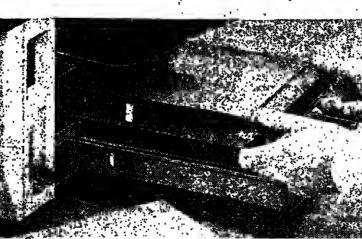
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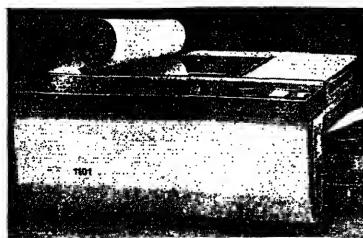
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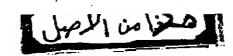
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# Waldheim hopeful on N-test ban accord

. fly David Egli

GENEVA, Feb. 15. MPROVED prospects for the ennclusion of a comprehensive noclear test ban were referred to here at the epening session, after a five-month recess, of ine Geneva Disarmament Con-

in a special message to the In a special message to the 31-natinn gathering, Mr. Kurt Waldbeim, the Secretary-General of the United Nations, nated that both the Saviet Union and the United States recently bad indicated a willingness to overcome the long-standing impasse with regard ton ou-site inspections. There seemed, he said, "to be now a greater readiness to reach an greater readiness to reach an accord in this area which. could have a major positive impact on the international

The positions of the two aper-powers were less explicit. The U.S. delegate, Mr. Leon Sloss, acting director of the U.S. Arms Control and Dis-armamen Agency, noted that his Government was currently re-examining numerous arms control and disarmament control and disarmament issues, including the question of a comprehensive test ban which would finally outlaw onderground testing:

The complete and effective prohibition of chemical weapons is also considered n high priority task here and the U.S. has undertaken to comment on specific aspects of the draft convention presented by convention, presented hy Britain last August, on the prohibition of the development, production and stockpiling of chemical weapons and on their destruction. It was noted that bitateral consultations between the U.S. and the Soviet Union were continuing in an effort to reach a common approach no this question.

Reflecting the new approach of the Carter administration, it is expected that there will be greater emphasis in the cur-rent series of disarmament meelings on a reduction in international traffic in conven-tional weapons. According to the United Nations, the accumulations of arms far beyond the needs of legitimate defence," now absorbs some \$350hn. annually, A significant proportion of this global figure is now absorbed. Mr. Waldheim noled, in conventional weapons in areas of the world where, uotil recently, the arms race was relatively unknown.

l'harities Aid

### Spain police believe main terrorist group is broken

being hunted, the Spanlsb police Villsescusa, Fresueev of the Spanlsb police villsescusa, Fresueev of Military Seo. Conesa declined to be now believe they have broken up Supreme Council of Military Seo. Conesa declined to be now believe they have broken up Supreme Council of Military Seo. Conesa declined to be now believe they have of police inone of the country's man Justice, without the need to emdrawn on the pace of police investigations into the murder of
vestigations into the murder of lerrorist groups. In an extensive ploy weapons. report made public late last night, they revealed that 38 people bave SPANISH a been arrested for their part in a series of bombings, police killings and kidnappings which cul-minated last Friday in the rescue two top officials who were being beld hostage.

The entire responsibility for these events is placed on the Reconstituted Communist Party, an extreme Left-wing faction, and its military arm. Grapo. Besides the arrests, police bave seized nearly 340 kilos of explosives together with a quantity of arms and propagands. Sen. Roberto Conesa, the police

chief who was brought in to bead a special aoti-terrorist squad, said at a Press conference that

APART FROM five men still Council of State, and Lt.-Geo. ascertaio the full exicut of being hunted, the Spanlsb police Villaescusa, Presideot of the Grapo's activities.

formally legalised the stains of Communist Party chief Santiage Carrille by issning Santiage Carrille by issning him with an identity card and a passpoct, his family said yesterday, UPI reports from Madrid. Sr. Carrillo, 62, had been harred from Spain since the end of the civil war in 1939. Last year, be vainly applied for a passport in Paris applied for a passport in Paris and for permission to return hume. He then travelled clandestinely to Madrid where he was arrested in December, charged with leading an illegal party and released on bail one

a student and five Communist SPANISH authorities have Party lawyers three weeks ago in Madrid, but be binted that progress was being made.

The length, detail and confidence of the police report on Grapo was obviously designed to calm fears about the apparent threat posed by terrorism to the Government's liberalisation programme. It was also spurred by the scepticism, not yet wholly dissipated, of the original police versioo immediately after the two kidnap bostages bad been Mcanwhile, Prime Minister

Adolfo Suarez and an oppositioo negotiating team seem close to compromise agreement on the said at a Press conference that while members of Grapo might behave like wild animals in the that there was no other organisticets they became as docile as sation behind the Reconstituted tioos due to be held before the "little lambs" once in custody. Communist Party or Grapo. The end of June. After a meeting Undec questioning, arrested terrorists might bave had continued that areas of the information which bad the police did not believe so. difference were relatively small enabled police to cescue Sen. Huwever, more comprehensive and no further talks on the sub-Antonio Orlol, President of the investigations were oeeded to ject were planoed.

### Doctors strike in Saxony

BY ADRIAN DICKS

SEVERAL HUNDRED doctors fund established by the doctors the liberal professions, are

Oldenburg area, and to independent reports, the federation's Herbert Ehrenberg, the author trouble persuadlog public call for doctors and dentists to close their practices for the day was widely followed. Home visits old age pension scheme back they and the pharmaceutical integrals all activities however.

SEVERAL HUNDRED doctors fund established by the doctors the liberal professions, are and dentists went on strike in Lower Saxony to-day, the second such militant protest in a week against the West German Government's attempts to control the soaring health costs that have coorributed to the threatened bankruptey of the entire social security system.

SEVERAL HUNDRED doctors fund established by the doctors the liberal professions, are among its supporters.

With the aid of posters, beautiful sign that the doctors enjoy much bublic support. Msny West Germans appear to he deeply shocked that they should strike, especially while protestlog so noisily about the threat of socialism. Herr Ehrenberg undoubtedly struck a cbord of sympathy whee be accused them entire social security system.

According both to the doctors' affect standards of treatment of trying to "blackmail Parliage of Jahran and to indeed to ind

was widely followed. Home visits to seriously-lil patients, bowever, were carried out and skeleton emergency surgeries organised by the Red Cross.

The Government now appears to face a united front of doctors, dentists, pharmacists and drug companies against its Bill to control the increase in health costs. Neilber the doctors' organisations nor the drug industry bave denied a report in Die Welt bis morning that pharmaceutical protest actions hy doctors, is though that would still leave mountainters by any doctors among the very bigbest agenerously to a DM20m. figbting of them, like other members of earners.

Both dage pension scheme back they and the pharmaceutical into loto long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out lot long-term financial balacce, dustry bave dome very well out long-term financial balacce.

On the eve of s Cabinet meet of a system—essentially State—financed—that bas increased hysterical objections to both what it pays them more than by the financed—that bas increased hysterical objections to both what it pays them more than by the financed—that bas increased hysterical objections to both what it pays them more than by the financed—that bas increased that bas

# **EEC** fish

### stock protection details

BRUSSELS, Feb. 15.

THE FOLLOWING are the detalis of the fishing conservatioo measures adopted by Agriculture and Fisberies Ministers of the EEC in Brussels yesterday.

A lotal ban on berring fis ing lu the Nurth Sea from February 28 to April 30. Decision on the remainder of

the year lo be made hy the Council in the light of scientihe evidence on the state of herring stocks.

 A total ban on Celtic Sca herring fishing from March 1 to the eod of the year. • Commission to study pos-

sible bans on other herring fisheries off the Irish coast. © Closure of an area to the north sud cast of Scotland to industrial fishing fur fish meal (the co-called Norway pout box), luitially frum February 28 to April 30. The size of the box to be closed to industrial fishing from August 1 to be neternilned by the Council in the light of scientific informa-

This was a key element in compromise, reconciliag the Danish demand for a smaller box, to allow more Industrial fishing, and British insistence that it bad already compromised far enough, Britisb officials are confident

that scientific evidence will back their claim that the present size box, if not a larger one, is essential to safeguard whitefish stocks.

• Industrial fishing is to be subject also to a reduction in the maximum whitefish bycatch telerance to 20 per ceni. (from 25 per cent.) from April 1. Commission to put forward subsequent by-catch proposals (the U.K. originally pressed for a 10 per cent. tolerance, and only 5 per cent. of immature whitefish) before the end of May.

. Strict limits on the activitles of factory sblps oniside the Community's 200-mile

The Commission is to indge whether the Irish unilateral ban on larger ressels is nondiscriminatory. But French sources suggested here to-day that only about 100 ont of some 400 mainly Breton vessels fishing off Ireland would be affected. Welsb fishing boats working oot of Milford Haven should also be generally exempt. The Dutch fishing fleet seems likely in be the

TURKISH POLITICS

### A coalition split all ways

POLITICAL uncertainty and an allocation of about \$1bn. In the bas got wind of semething from air of impending crisis prevail budget for beavy industry protected to find the process.

The coalition of Mr. Suleyman base calculated over 30 such instances in which Mr. Erbakan officer. General Irlan Ozaydini, a four-star Air Force General and under these circumstances in member of the Supreme Military in difficult to believe that Mr. Council delivered a letter to be prime Minister and Council foreign policy issues like Cyprus members criticising the coalition. weak is the Prime Minister's Definite will be able to control over his partners and so foreign policy issues like Cyprus members criticising the coalition, independently do each act. The and relations with Greece, the He expressed displeasure with independently do each act. The and relations with Greece, the He expressed displeasure with split arises from the structure of EEC and the U.S. Although its performance and claimed that the four-party coalition.

the four-party coalition. parties in the Government with Mr. Demirel's Justice Party are Matters are getting out of Gen. Ozaydinli spoke for the Mr. Demirel's Justice Party are Matters are getting out of Army as a whole, or what be is all Deputy Prime Ministers hand, but nobody knows going to do if he is disregarded. However, the fact that he felt Ministries bave been divided up among the four and bave despended into autonomous, parlisan parishes. Co-operation and co-ordination among Government ageocies is weak and conflict and tary intervention, early when matters get out of control and intervention, the four that he felt strong enough to make this political move (and leak it to the Press personally) is significant and a reminder that when matters get out of control tary intervention, the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to make this political move (and leak it to the fact that he felt strong enough to the fact that h such an extent that the Govern- elections, continuation of the Army can intervene in polisuch an extent that the Govern- elections, continuation of the Army can intervene in polisuch an extent that the Govern- elections, continuation of the Army can intervene in polisuch and policy and policy are the continuation of the Army can intervene in polisuch and policy are the continuation of the Army can intervene in polisuch and policy are the continuation of the Army can intervene in polisuch and policy are the contraction of the Army can intervene in polisuch and policy are the contraction of the Army can intervene in polisuch and policy are the contraction of the Army can intervene in polisuch and policy are the contraction of the Army can intervene in polisuch and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can intervene in policy and policy are the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contraction of the Army can be contracted as the contra

ratic Republican People's Party

cratic Republican People's Party
(RPP).

Although the 23-month-old coalition calls itself the "Nationalist Front" (against Communism) it is io reality a confederation of fronts. What revived and talks are underway bas kept it intact so far is the desire of all to remain in power until the General Election, scheduled for oext October, and strongly obtionallst views on strength. In the meantime, each party is busy using the spoils of authority to strengthen its electoral backing.

The splir between Mr. Demirel snd Mr. Neemettin Erbakan is aroused discontent, and not io particularly visible and important. Mr. Erbakan's Islamic business and even the Army have tant. Mr. Erbakan's Slamic blooms igns of displeasure. A ever crisis moy be looming ahead and which might triped now in the might wing groups during the Demiret administration. For the second year running, bigher education has been scriously disrupted with many faculties closuled with many faculties closuled

such an extent that the Government bas no consensus about any of the major domestic and international problems facing Turkey.

"The coalition oo looger exists and the Government exists unly in appearance," according to Mr. Bulent Ecevit, the main opposition leader and chairman of the biggest party, the social demogratic Republican People's Party

elections, continuation of ites, as it did io 1960 and 1971.

No one should know this better than Mr. Demiret, who was himself ousled by the Army six years ago.

The carnage among Turkish students bas added a taint of crisis to the coalition's problems.

Ahout 130 students have been killed and uver 1,000 wnunded in armed clashes between Left and

armed clashes between Left and

particularly visible and important. Mr. Erbakan's Islamic business and even the Army have revivalist National. Salvation business and even the Army have revivalist National. Salvation business and even the Army have revivalist National. Salvation business and even the Army have revivalist National. Salvation business and even the Army have ever crisis moy be looming ahead ever to which would avert whatten the party (NSP) is the biggest and point bas beec reached where most indispensable of Mr. It is being debated whether Mr. Demirel's allies. Although the Demirel will be able to keep nontrols fewer than 50 his coalition in one piece uotil seats 'in the 450-member the Geoeral Election seven assembly, less than a third of months bence.

One of the coalition leaders, consider an election in June. All the Republican Reliance Party (RRP), has threatened to pull out the partners stop controls the Mr. Demirel knows Mr. Erbakan also knows that without bis support neither the Justice Party Feyzioglu bas fewer than 10 porties have rarely managed to counter-blackmail. most of it being done by the former. In threat to quit—the Defence words of a Western diplomat, forced Mr. Demirel to make an add it is being asked whether be reached where Mr. Demirel and Mr. Erbakan and ever crisis moy be looming ahead ever crisis moy be looming and which might whelf where the callet to keep the former and Mr. Demirel considerant professor Turhan Feyzioglu of consider an election in June. All other party eladers, excluding the Republican Reliance Party (RRP), has threatened to pull out the partners stop consider an election in his coalition to the coali



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### Arafat appeals for Arab move to restrain Syrians

INTENSIVE contacts are under the Beirut international sirport, mission of four assisting Presi-INTENSIVE contacts are under the Beirut international sirport. The Syrian command is dent Elias Sarkls in the implementation hetween Palestinlen commandos and Syrian troops of the Arah Peace-Keeping Force around the refugee camps here. Mr. Yasser Arafat, the chair man of the Palestine Liherston Organisation, has sent cables to Arab heads of state, calling on the srea of the camps, and in the syrians to heed off whet very tense.

The Syrian command is dent Elias Sarkls in the implementation of the Arah-sponsored fung of a Syrian officer during the peace plan for Lehanon. The fighting last week. A statement commission, which also includes the Kuwaiti amhassador here, shot dead after he had heen Sheikh Ahdel Hamid al Baitjan wounded. It now insists that end Syrian Col. Mohammed all those responsible must he Kholy, was reported to he hadded over. The situation in planning to bold an emergency in the srea of the camps, and in meeting to morrow under President of the palestine with the Syrians to heed off whet very tense. Syrians to heed off whet very tense.

Palestiniens fear to be su In his cables to Arah heads of ment last Saturday, when the imminent outlaught on the State. Mr. Arafat appealed to committee met, declared that the camps. To-day, be had talks in them to stop the Syrians from Damascus with Prime Minister storming the camps.

MR. CYRUS VANCE, the U.S. The real prospect that Mr. Rahin's close Cabinet allies. They Secretary of State, arrived here Yizhak Rahio will no looger he were named yesterday in a Tel to-oight for the first leg of a Prime Minister after the vote Aviv court confession as the Middle East tour to seek the out-eppears to undertie Mr. Vance's alleged solicitors of and conduits

unexpected since en ennounce-

### Chinese gold sales suggest payments balance problems

BY COLINA MACDOUGALL

rade figures have revealed. With a new leadership
This is helieved to he an installed, and the effects of the trade figures have revealed.

This is helieved to be an installed, and the effects of the emergency measure to cope with halance of payments difficulties, shan last July, there is an rather than the heginning of a obvious desire in Peking to step long-term programme of sales. up trade. It is puzzling that reported to have sold hetween 12 and 24 tonnes in London and 12 and 24 tonnes in London and the international henking sector, Zurich, which was also taken as a sign that Peking was short of foreign exchange.

The misinstream of the paymovement eliminated their rivals in the radical Marxist faction of the Congress to kill and be killed the considerable of the Communist Party (the CPM), and then rounded off their view to the Bengal state assembly.

Squads from the Congress youth as Congress territory. "Muscle is movement eliminated their rivals in the radical Marxist faction of the Communist Party (the CPM), and then rounded off their view to the congress machine. With its of cases Mr. Ray's support Congress machine. With its of cases Mr. Ray's support Congress could normally make clear they will help; expect to win nhout 30 of the Janata Party (the anti-Gime the emergency in politics here."

The meanlastream of the paymovement eliminated their rivals in the radical Marxist faction of the CPM), and then rounded off their view to the congress machine. With its of cases Mr. Ray's support Congress machine. With its of cases Mr. Ray's support Congress could normally make clear they will help; expect to win nhout 30 of the Janata Party (the anti-Gime the emergency in political providing in the radical Marxist faction of the CPM, and then rounded off their view to the Congress to kill and be killed to the congress to kill and the radical Marxist faction of the CPM, and then rounded off their view to the congress to kill and the radical Marxist faction of the CP

### Top leadership in Yunnan province reshuffled

IMPORTANT changes mede by Peking in the leadership in Yunnan province indicate that a substantial purge in the pro-vinces may be on the way. The top party and Govern-

ment posts bave gone to .\n Ping-sheng, hitherto head of the adjoining provioce of Kwangsi. Although the holder of the key post of regional military commander remains unchanged, the new provincial head has also been given two senior military posts in Kun-miog, the provincial cepitsl. The distribution of jobs be-tween both civillan and military argues that power is still evenly halanced between the

two sectors. At the same time, three lower-level officials were eppointed to the province's party and Government administration, one a former party secrelary from Shanghal who lost his job in 1966 when the radicals, now under attack as the Gang of Four, first came to power there. The other two are senior officers from the Kun-

ming military region.
Yunnan has reported serious factional troubles over the past year or so. The reshuffle is evidently part of an effort to restore order in a situation

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which the central Government regarded as serious enough to summon the leaders to Peking

The Gang of Four was earlier reported to have had a "faithful follower " In Yunnan, The displaced provincial head, whose current fate has not been reported, mentioned last November that rumnurs and posters attacking Chairman Hua Kno-feng had been circulating. Unrest in the pro-vince is the more serious because of its position along the border with Vietnam, Laos and Burma. Io the national context, the

reshuffle in Yunnan is importent as it is the second extensive provincial leadership change since Hue's accession to power. The first was in Shanghai where the Gang of Four and its adherents were

The latest move suggests that Peking's control of the provinces is rightening. However, a People's Daily commentary at the end of last week, which stressed the need for party consolidation, said frankly that "some places" were seriously affected by the Gang of Four and "struggle in those places was relatively complicated."

### Sri Lanka emergency ended

By Mervyn de Silva

COLOMBO, Feb. 15.

for oext month.

The President can still declare an emergency but he will have to summon Parliament, which figure he uses the language of has been prorogued until Mey The emergency was proclaimed in March 1971, when a Marxist youth organisation, the Isunched on Insurrection. han on this group has elso heen

removed. sealed three years ego when It supported a mass protest organised by the Right-wing UNP he main opposition party Youths helonging to a separatist

the main opposition parts. Glenda Jackson, in Heoda 14). Sed. grops. Wk. 2.13. 5.15. S.20. An seats bookable.

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tween Tsnzanla and Kenya is an attempt by Tanzania to hinder Kenyan trade with Zamhia. Several Kenyao lorries, which hed passed through the Tanzanian border before the closure on their way across northern Tanzanis to Zamble, have been held up. There are reports here that some lorries had been looled by Tenzanian soldiers.

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**AUTHORS WANTED** 

POLITICS IN WEST BENGAL

### Divided Congress machine se begins to lose its grasp

Press reports here to day said.

After the clashes lest week in and around the Sabre. Chatula and Borj Brajneh csmps at the southers cut of the so once the political hub of India, from which sprang the original impetus for self-rule. But there is also the fear—on which Mrs. Gaodhi, who has chosen West Bengel for the start of her campaign tour next wask, is capitalising—thet the elections will unleash new violence.

Ing—thet the elections will unleash new violence.

For industrialists the emergency has brought higher productivity. But lahour is bitter about the loss of the right to strike, the drop in wages the followed the abolition of honus payments, isyodis of "temporary" workers, and in recent months the rise of living costs. isolated wildcat strikes have taken place in the Bengal-Bhar fleavy industry helt, and in the depressed textile and jute ior dustry.

At the end of lasi year there was a major, if unpublicised, strike in the tea plentations, which have heen honoung as prices have risen. "But we have not heen ehle to organize the general strike we wanted," says Mr. Jyoll Basu, the CPM leader

general strike we wanted," says Mr. Jyoil Basu, the CPM leader and a fornier Deputy Chief Minister in Bengal when the party was in power in the late 1960s. The election is giving the CPM the opportunity to reform its organizatinn, which was shattered by the violence of 1972. On Mr. Basu's figures 16,000 party workers, driven away four years ago by Congress youlb gangs, are still prevented from returning to their homes or work. Congress officials in part cunfirm his account. Mr. Subrata Mukherjee, the state Minister for information, recently CPM Irled to return to his Bally-gung area of Calcutta they would be heaten up.

In free and fair elections the CPM would sweep home with a majority, Mr. Basu claims. Bul he recalls the violence of the last elections and how Congress kept the opposition from the polls or stuffed hallot hoxes with false papers. He says that pattern could be repeeted, conveniently forgetting that the CPM used the same taclics of violence and in-

limidation in the 1960s.

None the less, the CPM's oppularity is enceded by Mr. Congress run National Lahour Co-ordinetinn Committee and a senior party official. He doubts SRI LANKA'S six-year-old state of emergency will end to-morrow and, in preparation, all political detainees have been released, a han on the Sun newspaper group has been lifted and elections for whether Congress workers would has been lifted and elections for gal's 42 constituencies are rural. local hodies have been scheduled Mr. Kanta Rose is one of the Mr. Kanta Bose is one of the

CHINA sold 80 tonnes of gold Peking may have got out of the worth \$350m on the London red, but only hy stringent reduction worth \$350m. On the London red, but only hy stringent reduction were stringent reduction. British tions of imports.

MRS. GANDHI'S emergency Chicago gangster films. "We the upper hand, gaining property to worth \$350m on the London red, but only hy stringent reduction with \$350m on the London red, but only hy stringent reduction were larger to west Bengal, Political killings over," he says of CPH workers nationalism against interferent trade flourest hand reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when who say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in what he reached a peak in 1972 when when say fool in the larger than the had reached a peak in 1972 when who set foot in what he regards from Delhi. squads from the Congress youth as Congress territory. "Muscle is The msinstream of the

jay faction. Such infighting had news for Mrs. Gandhi needs victories in Bengal

make up for the losses she see likely to suffer in the key sta of Uttar Pradesh, Bihar, u

Party of India.

But splits within the state party make it unlikely that Congress will get more than 20-22 sears.

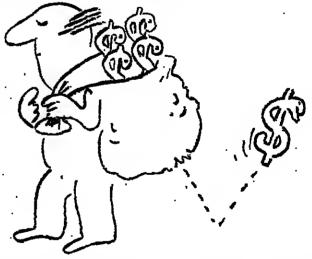
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### Middle East tour to seek the out—eppears to indered Mr. vaces alleged solicitors of abd conduits lines of a commonly eccepteble talks. In contrast to most of for cash contributions to the approach for reviving Arab- Dr. Henry Kissinger's visits here, perty, which were originally Isreeli peace talks. His tour will his successor has asked to meet gathered as hribes and kick-hack also take him to Egypt, Lehenon, separately Mr. Rehin and Mr. money three years ago. Jordan, Saudi Arebia and Syria. Shimon Peres, the Defence While Mr. Rabin was not per-Israeli officials, who will hegin Minister, his rival for the Labour sonally implicated, his Finance and Mr. Ports leadership while it to be Minister and privately provided the manual private and privately provided to the Minister and privately provided the manual provided the manual private and privately provided the manual private private and private priva a day of discussions with Mr. Party leadership, which is to be Minister and principal party Vance to-morrow helleve that decided next week. mentor, Mr. Yehoshua Rahinothe Carter Administration ex. Attention has been further witz, is now the target of pects to implement no new initial diverted from the Secretary's demands that he set aside his tive before the Israeli general visit by the strong whilf of duties until the allegations are election here in May.

Moroccan rebels jailed

BY OUR OWN CORRESPONDENT CASABLANCA, Feb. 15. HEAVY prison sentences were can Jew and miolng engineer. imposed to-day on 176 Marxist-Formerly a militant of the out-Leninists convicted of plotting lewed Maroccan Communist to overthrow the Arah Kingdom Party, Serfaty was to have been After a six-week trial, 44 of republic after the violent over-the accused were sentenced to throw of King Hassan 11, accordlife imprisonment, the maximum ing to the prosecution.

Morocco and set up a republic, the first president of a Moroccan

penalty, and the remeinder to The prosecution sald the crude oil imports, the Finance prison terms ranging from five plotters indoctrineted students Ministry announced to-day. to 30 years. In addition, all the and intellectuals in Marxist. The Ministry said that exports 137 accused present in court (39 Leninist dogma, end had planned amounted to \$4.735hn. up by 29.9 others were tried in absential to set up an underground Red per cent, over the same month were sentenced to two years in Army to overthrow the 1,000 of last year, and imports cost prison and fined 5,000 dirhams year-old monarchy.

S5.636hn., up hy 17.9 per cent, imports of crude oil for the

### Oil imports upset Japan trade balance

TOKYO, Feb. 15. APAN had so unfavourable trade halance of \$901m. in January because of increased

Signing letters to public officials young teachers, student leaders in which they described and technicians—were convicted Minroccan justice as Fascist.

The leader among those incitation to civil war, forming awarded the maximum penalty illegal organisations and forging was Abraham Serfaty, a Moroc- official documents.

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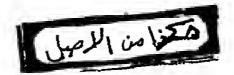
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### AMERICAN NEWS

# teel union presses wage, gob security claims in talks

with 18 eraft unions cover828.000 workers, telephone respectable income for life."

The union has given no indications with 735,000 The union, is seems, is pressing tion of what wages it will demand the seems, bitumious coal with for a guaranteed minimum but has criticised as an inter-

### Young warning on Africa report which drew attention to the high wages in the steel

BY OUR OWN CORRESPONDENT WASHINGTON, Feb. 16

L. ANDREW YOUNG, the U.S. spokesman said that his remarks thassador to the United were being "stndted."

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L. ANDREW YOUNG, the U.S. spokesman said that his remarks to the united."

L. Average earninga in the industry, including overtime and cost-of-living allowances, are around SS an hour.

Recoter adds: U.S. steel production the first six weeks of 1977 was E.3 per cent. helow 1976 levels, the Iron and Steel Institute Steel industry.

L. Average earninga in the industry, including overtime and cost-of-living allowances, are around SS an hour.

Recoter adds: U.S. steel production the first six weeks of 1977 was E.3 per cent. helow 1976 levels, the Iron and Steel Institutes and that Dr. Kissinger to apologise the weekend, Mr. Young had said the weekend, Mr. Young had said Production up to Fehruary 12 totalled 12,638m. tons, down from 13.778m. in the 1976 period. Industry sources said the drop in production this year reflects dispensed to the production the production the production the year reflects dispensed to the production that the high wages in the singular than the dustry, including overtime and cost-of-living allowances, are around SS an hour.

Recoter adds: U.S. steel production for the first six weeks of 1977 was E.3 per cent. helow 1976 levels, the Iron and Steel Institute of the production up to Fehruary 12 totalled 12,638m. tons, down from 13.778m. in the 1976 period.

LECTIVE bargaining for a 125,000 workers, railroads with number of hours of work each three-year contract in the 456,000 workers and retail food year for steel workers, regardless three-year contract in the steel industry is under way, if the Uolted Steel Workers are due for renego-ion in the construction industry to the U.S. and their sexpected in the U.S. and their sexpected in the U.S. and their security.

At a Presa conference yester day, Mr. I. W. Ahet, the retiring it is expected in the a year of insive collective bargaining. South as a given in the construction industry the union in the construction industry the union is security.

The union workers and retail food year for steel workers, regardless of fluctuations in the business cycle. The union is likely to press also for improved pension openeds in and income emphasis on job and income emphasis on job and income and perhaps a special provision for early retirement of workers whose plants are to be closed or whose jobs are threatened by the union in the talks, said the lifetime security plan sought by the union would mean with 18 eraft unions coverage.

The union is the business of fluctuations in the business cycle. The union is likely to press also for improved pension openeds and price Stabllity concludes that in labour negotiations we henchis, such as a cent from 30 years to 20 years in the qualifying period for a pension, and perhaps a special provision for early retirement of workers whose plants are to be closed or whose jobs are threatened by technological change.

Important details remain to be settled hefore April T when the contract settlement must go to binding arbitration.

The union is likely to press also for improved pension openeds that in labour negotiations of the U.S. and their in labour negotiations of the union is likely to press also for improved pension openeds.

The union is likely to union opened that in labour negotiations of the U.S. and their in labour negotiations of the union in decisions of the union in the contract settlement must go to be a year for seed workers, regardless of fluctuations in the content.

ference in collective bargaining the Wage and Prices Council

ner for the President of State after a Ford victory in the exists solves said the drop in exico appeared, not for the first recent presidential elections and production this year reflects disnet, to take the U.S. State then "take it all away from the expartment by surprise. A British."

The form the President of State after a Ford victory in the exist was the said and be replied in this year reflects disnet, the control of the production this year reflects disnet, and the drop in the exist was the production this year reflects disnet, and the production this year reflects disnet, and the production this year reflects disnet, and the drop in the exist was the production this year reflects disnet, and the

### **Boeings** fitted 'with uncertified parts'

By Jurek Martin

WASHINGTON, Feb. 15. THE FEDERAL Aviation Administration has revealed that uncertified parts have been installed in as many as 100 U.S. airliners mannfactured by the Boeing Aircraft Corporation.

The FAA streased that there was no evidence that the paris were dangerous or substandard, but the fact that they had not received afficial certification prompted the agency to order the five U.S. alrlines flying the Boeing 727s and 737s to remove the parts within 45 days.
It is the second case of such

a kind to come to light in the past few days. Over the week-end, allegations were reported that suggested that a much larger quantity of helicopter parts may have been sold around the world with improper certificates.

In the airline case, the FAA

said that the parts in question were mostly electronic, used in aircraft flaps, slats, flight instrument accessories and air conditioning units.

The agency said that the parts were made by a small company which sells replacement parts to the alternit industry. Another company, it went on had issued service.

went on, had issued service tags representing the parts as having been made and tested by Boeing

### Falklands have 'brilliant' outlook

BY HUGH O'SHAUGHNESSY

British colony in the south-west Office, as set out in the Commona Stanley. Atlantic, is "brilliant." Their gross national product rose very to the islands of Mr. Ted Row- provision of an airfield capable Commons on February 2 was unpopulated potential in Scheries.

Once, as set out in the Commons Stanley.

earlier this month, and was Any major economic project of the colony.

The FCO announcement in the gross national product rose very to the islands of Mr. Ted Row- provision of an airfield capable Commons on February 2 was unboming wool prices, and the unterpolated potential in Scheries.

The FCO announcement in the probability of the FCO. Mr. Rowlands is due be contended. Mr. Christie Falklands lobby relatively unpopulated potential in Scheries.

exploited potential in fisheries, to fly to the Falklands this morn- added that the conduct of officials prepared and aroused relatively

algioates and perhaps oil is very ing after an overnight stop in at the FCO in making important little interest.

Buenos Aires. concessions to the Argentine With the price of wool still

THE ECONOMIC future of the contrast to the gloomier view of aion not to proceed with the siders a sell-out to Argentina.

Falkland Islands, the isolated the Foreign and Commonwealth expansion of the airfield at Port may well be the start of a more notive debate about the future

large.

This was stated in London yesterday by Mr. W. Hunter platform with Sir Miles Clifford, effective control of access by air lands Islands Company was prospected. The U.K. Falkland Islands Committee, a body formed to lobby for the opinions of the 1900 islanders and counter the including sovereignty nier the Eakklands Islands Company the Eakklands Islands Company the Eakklands Islands Company the Supplies to YPF, the Argentine the Falklands Islands Company the Supplies to YPF, the Argentine the Falklands Islands Company the State oil company, was tantafive time state oil company was prospending to provide to the islands of time state oil company was prospending to provide to the standar of

### U.S. fails to stop German nuclear deal

NUCLEAR talks hetween the U.S. and W. German Government over the sale of German nuclear power technology to Brazil have involves not only the sale of part of heir contract, which involves not only the sale of constructions a uranium enrichment and a facility for reprocessing apent nuclear fuel.

But talks, nooetheless, are to continue, while the U.S. tries to epiruside other nuclear exporting centres on the enrichment and reprocessing facilities, on the grazil either to delay or call for a han on the transfer of Germany guaranteed supplies of "servitive technologies" between involves not only the sale of countries that possess such technologies if they would agree to nology and those that do not. The constructions a training of their contract of the continue, while the U.S. tries to reprocessing apent nuclear fuel.

The Carter Administration has to prodoce nuclear weapons.

Mr. Carter has argued strongly bave offered both Brazil and for a han on the transfer of countries that possess such technologies in the variety of their countries that possess such technologies. He contract of their contra

HE CARIBBEAN

### **Protecting** the Press

BY DAVID RENWICK, PORT OF SPAIN CORRESPONDENT

aser, a distinguished Carlbhean reputations, rights and freedoms rist and former judge of the of persons and the prevention of inidad and Tohago Appeal the dissemination of false statement, now director of legal ments and wilful mistepresentalization the Norman Manley tions of facts prejudicial to the public interest."

There are 16 other members.

of an independent Press. (3.390) in cash, or Government Many of these encroachments hands, with the Accountant re made in the guise of acting General "to be drawn upon in the public interest, such as order to satisfy any judgment for he heavy honds that some libel given against the printer, carriers to not before they are newspaper or any writer therein." aricom states now require news, publisher or proprietor of a apers to post before they can newspaper in any writer therein." xist. These effectively threaten The radical Grenada opposities any to many of the tion party paper. The Jewel, egion's small publishers already mouthpiece of the New Jewel perating, on economic shoetrings but have been presented tuals, refused to comply with heing necessary to make the provisions of the Act (it ewspapers more "responsible" simply couldn't find the money) and to demonstrate financial and went underground, from

restrictive legislation may be ersuaded to think again.

The Press Council is charged ith the duly of processing comtaints from the public about ress conduct and, likewise, combaints from the Press about the laints from the Press about the induct of people and organisations (including Governments) inwards it. The Council is also read to belp safegnard Press libel."

Newspapers Act, 1972.

This Act says that no newspapers act, 1972.

The Council's headquarters the Press. Guyana is the only all he in Jamaica, where both it. Fraser and the secretary, Dr. verold Hosein, acting director for the Institute of Mass Comment, as distinct from the Covernment, as distinct

responsibilities.

The Council begins life at a me when the dehate on the role of function of the Press in ARICOM is at its beight in ARICOM is at its beight in that body alongside media sit in that body alongside

ARICOM is at its beight in media sit in that body alongside representatives of private sector representatives of private sector newspapers and radio stations and the two parties, not surprisingly, find-it difficult to agree on remer Vere Bird's tiovernment.

Antiqua to repeal the laws ilroduced by the former Government, which required newspapers and radio stations and the two parties, not surprisingly, find-it difficult to agree on freedom that must be enjoyed by the Press.

At the CPBA's annual general meeting in Tobago last month, ablinet before heing published the two Guyana representatives actually walked out after the out-

TER TWO years of planning Dominica, St. Kists Nevis, Grend discussion, the Caribbean ada and Guyana. The Dominican ress Council (CPC) has finally Seditlous and Undesirable Publicate into heing. Based on the cations Act, 1968, allows the little model, the CPC has been Government to stop the publication. I tablished by the Caribbean tion of a newspaper for three iblishing and Broadcasting months, or longer, by a simple sociation (CPBA), the administrative order, without the administrative order, without the second body of media administrative order, without the second body of media administrative order, without the second body of media administrative order, without the personal to the grounds that the personal radio and TV stations such prohibition is necessary for the personal radio and TV stations. bers and radio and 10 stations such prominition is necessary to mas far north as the Bahamas the purposes of defence, public order, public ord

There are 16 olber members. In St. Kitts-Nevis, the Press ght representing the public and Publications Board Act, 1971, ur working journalists selected makes it an offence to "write. ur working journalists selected makes it an offence to "write, newspapermen's associations the region and four media anagers from the CPBA.

The appearance of the Press rilous, seddilous, and things, "scurring of the world served by at it is "false, sendalous, and maliger can be no guarantee that Government of any member of it is different Governments, clous with the inlent to bring the level can be no guarantee that Government into hatred, ridicale I public authorities, or even or disrepuse" or which is "inmajority of them, will compare to respect the Western injure the reputation of the incept of Press freedom that state, or to bring the name of the iss, inherited as part of the state into contempt, hatred or ridicule."

The Council is a reaction to the Grenada Newspaper of gradual encroachments that (Amendment) Act of 1975 fornidation.

The Council is a reaction to The Grenada Newspaper, of gradual encroachments that (Amendment) Act of 1975 forbids hany Governments of the Caribany Gran Community (Caricom) newspaper unless they have first tave been making into the idea deposited \$20,000 EC (about fan Independent Press.

nd to demonstrate financial and went underground, from oundoess in advance of any where it has been appearing

ossible suits for lihel.

The CPBA is acting on the learn that if there is an agency hich can be seen to he willing put the Press's own house in reder and to which members of the public tincluding Ministers of Government) can turn to have rievancea rectified, those aricom territorics contemplating restrictive legislation may be essented to think again.

where It has been appearing sporadically since.

A similar situation obtains in Guyana, where a duplicated, foolscap-size publication called Dayclean, the organ of the fargroup, is now heing produced from clandestine locations because it declined to ahide by the provisions of the Publication and Newspapers Act, 1972.

This Act says that no news-

reedom and to maintain, and aprove upon, journalistic freedom in Guyana stems from andards.

The Council's headquarters the Caricon to the Press. Guyana is the only all he in Innerior when here.

adjust befare being published the two Guyana representatives and to deposit a \$10,000 Eastern actually walked out after the outaribbean hond (ahout £1.9901 as going president. Mr. Ken Gordon succty against libel claims, the of Trinidad, said that he was ressures on the regional Press convinced that freedom of the emain severe.

Tight Press laws still exist in in Guyana."

### How could the world's best small interactive computer system be improved?

The System Ten, developed by Singer Business Machines, is acknowledged to be the world's most capable small interactive computer system in its price range.

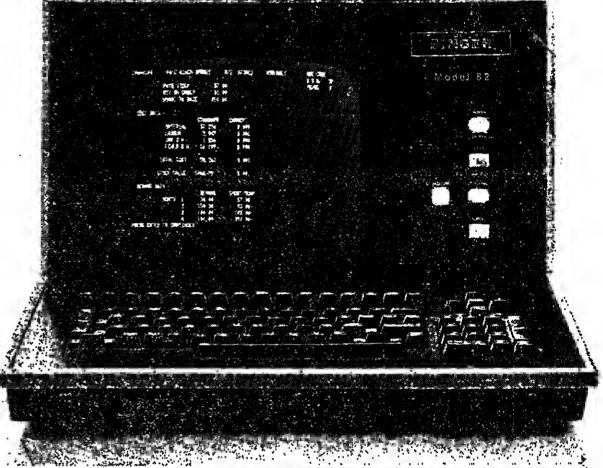
It is so simple that you can converse with it in plain language: a novice can learn to program and operate it in days. Yet it is so powerful and versatile that it allows several people to use it for quite different jobs at the same time: for each of them the computer behaves as if it were entirely their own. Thousands of System Ten users around the world are enjoying these benefits. How to improve on them?

### Only by adding improved facilities, more power and the strength of Europe's. leading computer company: ICL.

In 1976 ICL acquired the international operation of Singer Business Machines. Since the acquisition, ICL has been working to improve the System Ten. The result? The System Ten 220 Series, which now offers increased processor speed, better disc handling facilities, greater store capacity and improved store flexibility. The cost? ICL has actually reduced the basic price of the new System Ten to under £20,000. This means more work at less cost. work at less cost.

With the full library of ready-written, ready-to-use application packages available in the UK, the System Ten 220 Series can be quickly hamessed to your work – speaking your language – giving you an immediate access to files and fast response to your enquiries. Your staff will find how easily the system can be used to process your orders, print out despatch documentation, monitor your creditors and cash flow, schedule your production and re-order your stock—in fact almost every operation that you need to conduct your business.

You can be confident in choosing a System Ten 220 Series computer because it now has the strength of Europe's most successful computer company, ICL, behind it. This means access to the best engineering, support and training services anywhere in the world. And the assurance that comes from choosing a supplier with a secure future. Thanks to ICL a good computer system is now even better.





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افسسسمياط أأا	e more information on the System 1	no 770 Computer of a	
demonstration the coupon and	of its capabilities, please tick the app	propriate box, complete	
(North) David	Mariand, ICL, Alberton House, St. Ma er (061) 833 9111. ( <b>South)</b> Alan Morris	ry's Parsonage, Manche	ster M3 2WP or
Croydon CRD	3QP or ring 01-686 2566.	, ICL, Pembroke nouse,	· ·
1 more infor	mation demonstration		
	·		
Name		Title	<u>·</u>

### New Courtaulds initiative in Far East markets

250 per cent, compared with a in the Far East ia in the supply company bas recently announced 40 per cent, increase in exports of fibre, particularly its cellu that its international Paints sub-overall, and the latest move to losic fibres, viacose ataple and sidiery will be co-operating

overail, and the latest move in losic fibres, viacose ataple and sidiery will be co-operating set up a permanent hase in acctate. A number of producers technically and commercially Japan and company's intended to indicate the around the world have absniced with Nippon Paint of Japan and company's intended to indicate the around the world have absniced with Nippon Paint of Japan and demonstrated around the world have absniced with Nippon Paint of Japan and for environmental reasons leaver additing the company's packsging subformer environmental reasons leaver additing. British Cetiophane, has ing Courtaulds to supply a also stepped up its share of the greater share of reduced world market in the Far East.

East region and a base in Hong exporting acrylic to the area and Tootal, announced at the end of Kong and its new company. Courtaulds Fibres (Far East) is fibre to raise sales of aynthetic last year that it was to step up the seeking generated.

countries in the area including distances involved and the doml pany said yeaterday, however,

ines.

Over the past three years the company's goods on top of other indications by company claims to have hoosted export cernings in the area hy

The company's main husiness interest in the Far Eest. The

### heing generated. he seeking to expand the com- almed at expanding trading tinks Dr. Normen Wonding, a deputy peny's sales of fabric to garment between the area and developed chairman of Courtaulds, said makers in the Far East. Efforts markets, in particular the U.S.

Middle East orders for SIR

ROME. Feh. 15.

THE LARGEST private Italian southern Iranian province of Sadelme of Italy and ASEA of Chemical and engineering group, Societa Italiana Resioe (SIR), of Energy announced in Tehran. S30m. contract from the Energy which recently completed a major desalination plant in Qatar, announced to dey that It signed on Jenuary 24, a apokes has heen contracted by the Qatar Government to build a similar Government to huild a similar The consortium members, completed in 30 months.

The project is expected to he Government to huild a similar The consortium members, completed in 30 months.

The project is expected to he Grammy became the leading European market for the first time, increasing its purchases from £6.4m. in 1975 to chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chases from £6.4m. in 1975 to chase size of the province chase of the province chase size of

ment with the Libyan Govern-ment to build, at a total cost of L30hn, (ahout £20nn.), five re- THE Iranian Management Engin- equipment purchased will be frigeration units for storing fish eering Group has won a \$10m. from Western suppliers.

at Benghazi. Tripoli, Homs, sub-contract from Tsvetmetprom

The background to what might

In Serial Construction in the sering Group has won a \$10m. The background to what might of SIN's recent move into the new market of the oll-producing countries of the Middle East. The Italian group has lately won major Arah contracts. Including school projects in Saudi Arable and the Construction of army hospitals in Libya. The group hisa heep particularly successful in Engineering, procure which is to the responsible for the surpling school projects in Saudi Arable and the U.S. Exports of the Middle East. The Italian group has lately won major Arah contracts, including school projects in Saudi Arable and the Construction of army hospitals in Libya. The group, has been particularly successful in mem, training and commission than construction of army hospitals in Libya. The group repaired the construction of army hospitals in Libya. The group repaired in the particularly successful in most of the Middle East in 1975 fluors. The product extends the line of the Soviet Union. It is also one of the U.S.

IMEG is epidentely of 22:500 cubic metres of principles of the Soviet Union. It is also one of the Soviet Union. It is also one of the Soviet Union. It is also one of the U.S.

IMEG is epidentely of 22:500 cubic metres of the Soviet Union. It is also one of the Soviet Union. It is also one of the Soviet Union. It is also one of the U.S.

IMEG is epidentely of 1975 the Soviet Union. It is also one of the Soviet Union. It is also one of the U.S.

IMEG is epidentely of 22:500 cubic metres of the Italian Soviet Union. It is also one of the Soviet Union. It is also one of the U.S.

IMEG is epidentely of 22:500 cubic metres of the Italian Soviet Union. It is also one o

### The company also reported that it signed last week an agreement with the Vibrance and Tran in Nigerian project

BY RICHARD JOHNS

of water e day. SIR has also plex to norm and warm.

Channel Islands celled Stratbuilt a desalination unit in The aub-contract is underslood haven.

Bahrain.

A consortium of West German on February II by Mr. R. I. five awarded recently of which has been awarded a contract to TSMPE, and Mr. Ian Bnwler, Union, two to the Italian combuild power sub-stations and president of IMEG. The expectance with the station is that the major part of Williams Brothers of the U.S.

The background to wbat might

NOTICE OF REDEMPTION To the Holders of

### Government of New Zealand

Twenty Year 61/2 % Bonds due March 15, 1986

NOTICE IS HEREBY CIVEN that, parsuant to the provisions of the Bonds of the above-described issue. Morgao Guaranty Trust Company of New York, as Fiscal Agent, has drawn by lot for redemption on March 15, 1977 at 100% of the principal amount thereof through operation of the Sinking Fund, \$236,000 principal amount of said Twenty Year 6\frac{1}{2}\tilde{1



On March 15, 19, 7, the Bonds designated above will become due and payable at the principal amount thereof in such coin or currency of the United States of America as is legal tender for the payment therein of public and private debts, and will be paid upon surrender thereof at the corporate trust office of Morgan Guaranty Trost Company of New York, 15 Broad Street, New York, New York 10015, or at the option of the hearer but subject to any laws and regulations applicable thereto in the country of any of the following offices, at the offices of Morgan Guaranty Trust Company of New York in Antwerp, Brussels, Frankfurt, London or Paris, or at the office of Baring Brothers & Co.,

Limited in London.

Bonds surroundered for redemption should have attached all unmatured coupons appurtenant thereto.

Coupons the March 15, 1977 should be detached and collected in the usual manner.

From and after March 15, 1977 interest shall cease to accrue on the Boads herein designated for

February 9, 1977.

COVERNMENT OF NEW ZEALAND

### Record rail exports predicted

previous hest export order total

achieved record exports of more than £112m. in 1976—an Increase

film., and overtaking two hie traditional markets of the U.K. Industry, Ireland and Denmark.

Auatralia remains the higgest ICL expects to win orders

production falls

TOKYO, Feb. 15. duction fell from December levels. Expo Exports followed the

Toyota said outpot rose 15.4 per cent. to 177,726 from January, 1976 but declined 10.3 per cent. from December. Exports in January rose 31.1 per cent. to 94,729, but were down 7.5 per cent. from

December. Nissan said vehicle produc-tion in January rose 4.4 per cent. to 174.814 from a year ago, but declined 11.3 per cent. from December. January exports rose 14.8 per cent, to 91.170 over a year

ago, but fell 17.9 per cent. from the previous munth, it sald. Nissan expurts in Britain

totalled 9.924 units, np sharply from December's 1,847 units, and up 38.8 per cent. from a year earlier.

Exports in Western Europe totalled 20,164 units in January, up 17.1 per cent. from December but duwn 0.5 per cent. from a year earlier.

CARICOM

### Lean pickings for exporters

BY RHYS DAVID, TEXTILES CORRESPONDENT

By lan Hargreaves

Bome of the Caribbean appoint was stopped completely in Feb community

North to Guyana on the South ports were reduced from Government may encourage im suggest a trade surplus of the American mainland.

In Jamaica's case, a marked ber, 1975, to \$Ja.637.1m in 1976, sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the socialist Net foreign reserves in Angulary Sources of goods in the social s countries in the area including distances involved and the domit pany said yearerday, however, such that there was no question of the ladustry in a year is that there was no question of the ladustry in a year is the separated operations in the expected the industry to demand from their own populations and to secure export earn demand to secure export earn the increases in the secure of the ladustry in a year is for the lad

The Government alone will b

is expected the industry to quadruple its present percentage as here of the growing world market in the next few years. It is understood that the orders are for a wide range of rail products, including British again was some signalling. Heave tourist receipts as a result of the political violence that has will eventually centralise all become the sole importer of earlier of the public sector goods in the near future. The primare equipment made in the private sector announcement of a major deal is expected within the next except announcement of a major deal is expected within the next for limits of the property of the public sector announcement of a major deal is expected within the next forminating to Rritish Rail's part in the expansion of interest in railways in the developing world is Transmark, its consultancy service, which expects a recompared to £195,000 in 1973.

\*\*U.K. Carpet\*\*

\*\*U.K. Carpet\*\*

\*\*U.K. Carpet\*\*

\*\*U.K. Carpet\*\*

\*\*Exports up 51%\*

\*\*Exports up 51%\*

\*\*Financial Times Reporter\*\*

\*\*Entrainty to the growing world in the next provide that has will eventually centralise all become the sole importer of earlie to the public sector of the public sector of the public sector and integrate of the public sector and integrate of the public sector and integrate of the public sector in the near future. The primary and the strength of capital from the capping required to the private of the public sector in the near future. The primary and the strength of the public sector in the near future. The primary and the strength of the public sector in the mean integration is not seen as a state mpt chase of druss, most foods and integration is sold at the private of the strength of the strength

### New small **ICL** series launched

By Christopher Lorenz

market overall purchasing car worth more than £100m, by 1980 U.S. spirit duties neta worth fill-difference of from a new type of small comBritain, en increase of £5.5m, over of small comits 1975 figure. Exports to the majority in exports. This was countervailing duties on spirits Breing said the Middle East at £10.9m, were more majority in exports. This was countervailing duties on spirits Breing said that majority in exports. The majority is spirit duties.

The U.S. Treasury Depertment will be used to said it will no longer collect Breing order countervaling duties on spirits. Breing said that majority is exported from Airlines has order.

These took it into some 15 new markets for the first time, including seven in Latin America, seven in the Far East (including Japan) and others in the Middle East, it now has 21 dealerships.

Reaffirming his falth in the former Singer product line, Mr.

Reaffirming bis falth in the former Singer product line, Mr.

Reaffirming bis falth in the former Singer product line, Mr.

Ellis said System Ten computers alone bad attracted £7.5m. worth of business in the last three months. Manufacture of the new 20 Series will hegin in the Utica. New York, factory which ICL bought last year, but this work is currently being transferred to lits II K factories. lts U.K. factories.

This would improve the joh security of ICL's UK. employees the company sald, and, with more than 80 per cent, of production scheduled for export. uld assist the British balance of trade.

Technical Page, Page 10

Polish order

Orders worth £3m. to supply from December but down 0.5 per cent from a year earlier. Agencies

Chinese trade

Japan's two-way trade with China fell 20 per cent. in 1976 from 3 year earlier to \$3bm the first dectine in eight years the Japan External Trade Organiss tion (JETRO) said, Jepan strade in 1976 accounted for 22 to 23 per cent. of China's entire trade with foreign nations, tompared with 26.7 per cent. in 1975

### Lloyds Bank in Dubai

Lloyds Bank Internationel bas starting next Monday in Menila, opened a full hanking branch in President Marcos will open the Dubai. The new branch is able conference, which will cover a to provide a complete range of range of subjects including henking aervices and will be joint ventures, the development responsible for the development of a capital market, insurance of the Lloyde Bank Group's and registerance forging. of the Lloyds Bank Group's and re-insurance, foreign international activities in the exchange, gold and Eurodollars, United Arab Emirates.

machines division. As well as giving ICL additional products, the acquisition doubled its small systems customer base, trehled its of customers with Intelligent terminals, and strend thened its position in a rence of inverseas marketa. Mr. Peter itlis, the ICL marketing directions considered to the marketing directions of the marketing directions of the marketing directions of the marketing directions. The contract to the contract inverseas marketa, Mr. Peter inverseas marketa, Mr. Peter inverseas marketa, Mr. Peter inverseas marketa, Mr. Peter inverseas marketa involves increasing telex lines and according to a post and the cations corporation to the deficit in national production, according to the productrs. Association. This would mean a sizeable increase over leat year's involves increasing telex lines. Involves increasing telex lines and according to a post and the marketing directions of the cations corporation. This would mean a sizeable increase over leat year's involves increasing telex lines. Hong Kong contract Telecommunications Corporation Hawker Siddeley Water Enginger in the cations of the expansion of telex exchanges in Tripnil imports. The contract eround 26m. sacks. Involves increasing telex lines and according to a post and the cations of the expansion of telex exchanges in Tripnil imports. The contract eround 26m. sacks. Involves increase over leat year's side of the expansion of telex exchanges in Tripnil imports. The contract eround 26m sacks. Involves increase over leat year's side of the expansion of telex exchanges in Tripnil imports. The contract eround 26m sacks. Involves increase over leat year's side of the expansion of telex exchanges in Tripnil imports. The contract eround 26m sacks involves increase over leat year's side of the expansion of telex exchanges in Tripnil imports. The contract eround 26m sacks involves increase over leat year's side of the expansion of telex exchanges in Tripnil imports.

engincering consultancy. Bueing said that Singapore

TOYOTA MOTOR and Nissan Motor both reported higher vehicle output in January compared with a year ago hut production follows for the marketing benefits and the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut production follows for the space with a year ago hut productions for the space with a year ago hut production for the marketing benefits was to enlarge the number of the world. These took it into some 15 new took it i

### Franco Italian discussions

ROME, Feb. 15. THE FRENCH Foreign Tradi Minister, M. Andre Rossi, ti scheduled to arrive bere on Thursday for talks with his Italian counterpart, S Rinaldo Ossola. The visit seen bere as a continuation of the dialogue between the two Ministers started last month when Sig. Ossola went to Parls

The talks are expected to centre on the problems of stabilising bilateral treat particular concern to the problems of the stabilising bilateral treat treatment tr ing French phjections to ches Italian exports of wine in shoes.

According to recent statistic Italy recorded a trade defice with France of the order of MANA. AND L206.5bn. (about £68.8m.) the first 11 months of last year. Although imports from France increased by 48 per cent-italian exports rose by nearly: Meanwhile, figures released: food deficit rose to a record: L3,531bn. (almut £1,2hn.) last: year. Italys' meal import hill of Ll.814bn. (about £1.2hm)

per cent last year

This announcement appears as a matter of record only.

\$2,500,000

### Wheel Trueing Tool Company (A subsidiary of Diamant Boart S.A., Brussels)

Secured Industrial Revenue Bonds due 1992 (Issued by Richland County, South Carolina)

The private placement of these securities with institutional investors in the U.S.A. was arranged by

SoGen-Swiss International Corporation

February, 1977

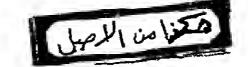
Interstate Securities Corporation

Sure, every country's a holidayland but Switzerland is a complete Holiday World!

Contact your Travel Agent or: Swiss National Tourist Office, Swiss Centre, 1, New Coventry Street; London W1V 3HG, Tel. 01-734 1921



second only to one's own land 



### Porten Restrictive pay curbs cannot continue ays CBI president

Y JAMES MCDONALD

strous consequences," he told poverty trap area.

ritish Institute of Managet conference on 'A Pay ment, a third which lies just on tegy for Industrial Recovery, he Chancellor needed to proincentives if he wanted the incentives if he wanted the oo to "get up and go." Many Difficult agement salaries were lag-

cheme forward. But we cerally intend to do so in due irse."

"Our concern is to bring about the conditions in which the industrial strategy will succeed."

Sir Derek listed: a restoration of incentives; relaxation of the squeeze oo differentials, and easin go fibe excessive burden of income tax.

"These, together with the reasourance to managers that their position as responsible professional people who can make a vital contribution to the formulation of policy, will ensure that they undertake their major task

e a Secretary of State able to with every expectation of suc-advice on whether companies cess."

RESTRAINT of the present from runaway inflation coupled ictive kind could not con- with the highest taxable rates e much longer, Lord Watkin- in Europe, lies in two pay

of British Industry, said in "One, I would judge, is founded and was being built as cute, is at the bottom-end of the one day would burst "with the wage scale in the so-called a secretary trap area."

oo to "get up and go." Many ragement salaries were laggement to 25 per ceot. behind int iocreases to costs and es.

Free cotlective hargaioing as sed to be known is no longer sed to be known is no longer our Budget representations to be published soon wilt indicate priorities."

Sir Derek Ezra, chairman of the British Institute of Management, and the National Coal Board, told the conference: "Confidence in the underlying the everyone working hard to lieve a longer-term flexible gene which lay between the remes of restrictive coostraint free collective bargaining.

Perbaps at this critical point negotiations on Year Three is not the time to put such cheme forward. But we certified to the difficult for the Government to do enough for these people in the middle. "But these people in the middle." But has pounditabled soon wilt indicate priorities."

Sir Derek Ezra, chairman of the British Institute of Management, and the National Coal Board, told the conference: "Confidence in the underlying the international Monetary Fund loan and the cover arrangements for sterling bave led to a revival in the pound's fortunes, and surveys of investment prospects in the light of lower interest rates are showing improved potential for these people in the middle. "but these people in the middle." But these people in the middle. "but these people in the middle." But these people in the middle. "but these people in the middle." But these people in the middle. "but these people in the middle." But these people in the middle. "but these people in the middle." But these people in the middle. "but these people in the middle." But these people in the middle. The these people in the middle. The

tioo of policy, will ensure that t would be reasonable to pro- they undertake their major task

organisations were charging Mr. Anthony Frodsham, direcessive prices.

-m taxation, he would like to Employers' Federation, said that rect one present absurdity, he was no gerat believer in the lirect taxation is not just a central direction of pay policies, ther which concerns only the They existed because "we canechelons of management. not trust the unions and the There is considerable weight unions cannot trust or control

"be effect of Inflation bad heen uced higher up the locome le, the council said yesterday. Until the 1970s the worst-hit ischolds seemed to be penners reliant on State benefits, isterly poor households with ldren have been hit hardest."

The cyldence indicated that to use a single measure of inflation d and other subsidies in all levels? of income. There it is in the gap had since dened. "Since 1970 the difference in inflation rates has been me increasingly marked."

The council was giving evi-

The council was giving evi-oce to the Royal Commission The council was giving evioce to the Royal Commission the Distribution of Income id Wealth, headed by Lord famond, which is examining comes at the lower levels.

The council said poor people id a double disadvantage. They ere worse off in terms of their

This was partly a reflection of the effect of inflation bad heen used higher up the iocome the relatively restricted access of the council said yesterday. Until the 1970s the worst-hit useholds seemed to be pen-

See Lombard Page 2

### Varley likely to set up engineering inquiry

GOVERNMENT committee of State for Education and Science, quiry ioto the engineering and Employment. ofessioo seems almost certain Mr. John Lyons, generat scerebe set up by Mr. Eric Varley, tary of the association, said last dustry Secretary, within the xt few weeks.

Pressure for an inquiry has en building up again recently inquiry now."

d two of the most powerful of e professional engineering ganisations bave written to Mr. change attitudes towards the urley arging him to start one, engineering profession and The Institution of Mechanical sinteers and the lostitution of ectrical Engineers, which tween them have shout 170,000 mbers and account for about per cent, of the profession. per cent, of the profession, ve lined up behind those calt-

r Bristol North East, raised the bject again in a written questickfield.

Under-Secretary, the advantage to be gained from the Varley was "urgently the plan, announced by Mr. Varley was "urgently the plan, announced by Mr. nsidering all aspects of this Edmund Dell, Secretary for atter" with the Secretaries of Trade, on Monday.

### U.S. approval

The move originated with the MR. FREDDIE LAKER, chair1,000-strong Electrical Power man of Laker Airways, will tell
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1,000-strong the Laker MR. FREDDIE LAKER, chair1,000-strong the MR. FREDDIE LAKER, chair1,000-strong th

### London insurers expect heavy Antwerp claims

EAVY INSURANCE claims are terday put the cost of the blaze pected in the London market as more than £20m., which would be the fire at Answerp Docks make it one of the most expensive destroyed warehouses and sive fires in Europa for some

Marine insurers at Lloyd's It is assumed that much of the spect to face a £6m. loss over buildings and other fixed propod pulp and other products, perty were insured in the Belgian he goods were insured in the market, but there may be heavy urine market as they were reinsurances covar in London. garded as cargo in transit. Surveyors from Lloyd's are Estimates reaching Lloyd's yes- examining the damage,



An artist's impression of the Hawker Siddeley Nimrod.

### Unions increase efforts to win Nimrod decision

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE TRADES unions are increasing their efforts to win a change of mind by the Government in favour of buying the Hawker Siddeley Nimrod a rerait instead of the U.S. Boeing E-3A for Airborne Early Warning duties in Enrope.

A decision is due to be taken by NATO Ministers at a meeting in Brussels next week on whether to buy the Boeing jel for AEW—In which radars mounted on aircraft flying at great heights could look down ou and defect enemy aircraft and missites seeking to pene-trale the ground-based defensive radar networks.

So far, the U.K. Government bas expressed a preference for the Bocing E-3A, called the Alrhorne Warning and Control System (AWACS), and has tended to regard the Hawker Stddetey Nimrod sutely as a possible alternative to meet the U.K.'s nwn needs in the event of Europe rejecting the Boeing jet. Union anger st this attitude is rising. A statement by the joint unions representing workers at Hawker's Wood-

ford, Manchester factory where Nimrods are built for antisubmarine duties, sa'd yester-day that negotiations were taking place between Govern-ment and unions on the next phase of the social contract. "One way for the Govern-ment to show confidence in British industry and indicate an attempt to improve the

an attempt to improve the employment situation would be to support the N mrod project, thereby giving the working population some degree of confidence in supporting Government policies."

For some years, the public had been urged to "Buy British"—yet, "when it comes to an item of significant cost, the Government is prepared to ignore this advice." To buy, the Nimrod would provide more employment—up to 7,000 jobs—than buying the Boeing jet (little more than

"If the Nimrod was stopped and AWACS finatty purchased, the results could be catastrophic, nol only from like employment asnect, but also the U.K. wootd drop out of advanced electronics and give it to the U.S. on a ptate."

The U.S. bad totd NATO that the cost of the Boeing jet would be \$2.4bn. (£1.45bn) for 27 aircraft—£53.7m. ench. "It is known that AWACS is more than twice as expensive as Nimrod"

### Supermarkets dominate sales of food to freezer owners

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

sidiary, supermarkets now have

SUPERMARKETS have managed that in 1975 freezer centres took per cent. io 1975 to 16 per cent. to assert their dominance of sales 44 per cent. of sales to home last year. of frozen food to the rapidly freezer owners and grocery growing number of home freezer freezer departments only 38 per op is still the leader among the hig multiple retailers lost took 48 per cent. of sales. The supermarkets in the development nut to the small specialist freezer centre share fell to 36 of freezer centres. It has 261 reezer shops.

According to a survey published yesterday by Birds Eye, the Unilever frozen food subsidiary, supermarkets now have

### Concern for waterways

a larger share of sales to home attest social problem, arising restraint and responsibility.

Poorest 'hit most

Poorest 'hit most

Note the problem arising restraint and responsibility.'

The survey shows freeter ownership has nore than doubled in the last three years. About 12m. families bought freezers last year.

Almost nore in three families has a freezer and nearly 50 per cent. (a) and the freezers last year.

Almost nore in three families has a freezer and nearly 50 per cent. (a) and the freezers last year.

Almost nore in three families has a freezer and nearly 50 per cent. (a) and the freezers last year.

Almost nore in three families has a freezer and nearly 50 per cent. (a) and the freezers last year.

Almost nore in three families has a freezer and nearly 50 per cent. (a) this country goes to freezer cowners, products the first funds needed for the maltenance of the waterways be obtained from three different in this country goes to freezer cowners, products that the same goods as a fall of the count order means that a goan been convicted under the Assembly.

The BRITISH Waterways Board Scottish Executive and the Weisb is concerned that under the Assembly.

The BRITISH Waterways Board Scottish Executive and the Weisb is concerned that under the Assembly.

The BRITISH Waterways Board Scottish Executive and the Weisb is concerned that under the Assembly.

The BRITISH Waterways Board Scottish Executive and the Weisb is concerned about the fire and the country of the facility of the Gas Salety Regulations after young longer than the Gas Salety Regulations after the court order means that the country from the Gas Salety Regulations after the court order means that the grown in the Gas Salety Regulations after the court order means that the goan bead the league.

The Survey shows freezer centres increased

### First fair trading order made against heating man

By Elinor Goodman, Consumer Affairs Correspondent

A CENTRAL HEATING supplier land Cement Group for the year panies are not able to maintain and installer made legal bistory to October 31, by more than £5m. an increased rate of capital vesterday when be was the to more than £10m.

lim'led fine or imprisonment.

Of auditors Peal Marwick The Bath and Portland Cement
Uotil the Fair Trading Act was Mittebell, came after the decision Group and Westland Aircraft
passed in 1973, some traders
could have found it worthwhile Committee to suspend its stan-

Breach of this order would be contempt of court and, as such subject to tougher penalties that individual breaches of safety regulations or the Trade Descriptions Act.

Regulations

In April of last year, Mr.

Jergen Krupa, a Cardiff gas
central beating installer and
supplier, who had already been
found guilty twice of breaching
gas regulations, gave the
Director-General a written

Director-General a written

Director-General a written

Director-General a written

The segmence of the segment of their lowest point for of Shiphuildian Potential for the shiphuildian Potential for t

### Accounting change gives cement group extra £5m.

BY MICHAEL LAFFERTY

which leaked.

In the Cardiff County Court
yesterday, it was alleged, on the
Director-General's behalf, that

Japan heads the league. It

A CHANGE in accounting prace of these reliefs might one day tice has increased the distribute "clawed back," as for table profits of the Bath and Portexample in cases where com-

and installer made legal history yesterday when be was the reciplent of the first order sought hy the Director-General of Fair Trading against a trader alleged to have persistently broken the law.

Breach of such an order would be beld as contempt of court and would be punishable by an unlimited fine or tunnisonment.

To Octoher 31, by more than £5m. investment.

Similar action by Westland A less conservative approach to the problem was proposed in published last month, led to an increase in after tax profits from more than £3m. to more than £5m.

The new approach by Bath and which has the approval of auditors Peal Marwick The Bath and Portland Cement Group and Westland Aircraft

passed in 1973, some traders could have found it worthwhile to hreak the law aimed at protection the consumer even if they were taken to court.

When an offender bad been found guilty and paid the fine, there was nothing 10 stop bim taking up business somewhere etse and repeating the offence.

The Fair Trading Act. however, gave the Director-Geoeral powers to obtain a written assurance from a trader oot to offence.

If Bath and Portland had followed guilty stand for last year following widespread to last year following widespread they probably some industry.

The opponents of deferred tax profits from industry.

The opponents of deferred tax profits would have been function the accounts theoretical balances which would never in reality be accounted they must be followed Morpeth.

If Bath and Portland had followed a similar spproach to last year, its after-tax profits would never to the Government.

The opponents of deferred tax in the form the over the original that it introduced into the accounts which would never in reality be bave been just over form, compaid over to the Government.

This arises because to lax calculations businesses can write in plant and nanchinery completely deferred tax profits would never to the Government.

The probably provide deprectation only at much lower rates. Westland Aircraft did not with they probably provide deprectation only at much lower rates. Westland Aircraft did not with they probably provide deprectation only at much lower rates. Westland Aircraft did not with they probably provide deprectation only at much lower rates. Westland Aircraft did not with they provide in previous years. As a generous benefits increases in the accounts and another.

The notion behind deferred tax substantial part thereof will account in the accounts and another.

The notion behind deferred tax substantial part thereof will be accounts.

World ship orders at eight-year low

assurance.

This was to refrain from several years. The world order quarier ended December 31, the installing gas-fired central heating in a manner not in according to the leght years.

The U.K., where 10,000 reductions over the new order intake the contraction of the contractio

tracts with customers, and from dancies are threatened in the during the quarter, committing offences under the shipbuilding industry by the end. The U.K. has 1.9m. tons gross Gas Safety Regulations, in part of the year, is lying seventh in under construction, a fall of ticular by installing gas pipes the league of leading shipbuild. 253,000 tons from the previous

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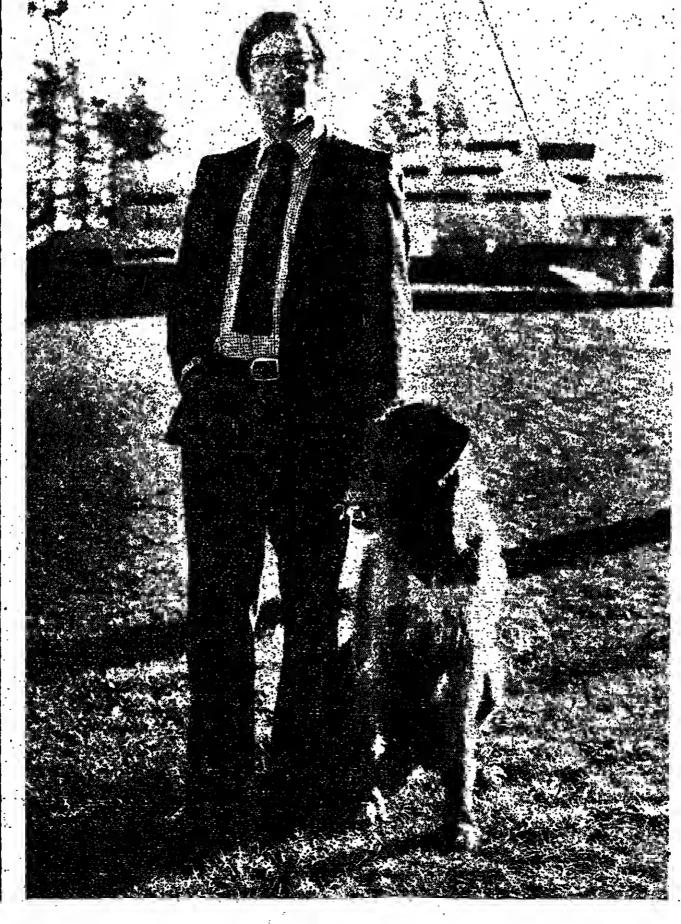
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# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

OFFICE EQUIPMENT

### Word processors to boom

Europe's word-processing market, dictating equipment, will increase at an annual average of 7 per cent. Valued at £61m. last year, it will reach £102m. by 1985 and total £792m. over the next decade. Only Britain and Germany have significant penetration. Holland, Sweden and Switzerland are moderate users. Dictating equipment is not popular in France and Italy or In several smaller European countries.

Offices are the last significant penetrous form postcards areas of business relatively untouched by automation. asserts

use, is to be launched by Roneo of an extra wide page; or scroll up or down over long pages. The become right or left to see the remainder of an extra wide page; or scroll up or down over long pages. The become right or left to see the remainder of an extra wide page; or scroll up or down over long pages. The become reserved for visual indications of the lists, customer mailings, product for visual indications of the current line number, the current column postcards up to a paper size of 8½ Inches x information.

Wordplex 1 bas an electronic feel and layout of keyboards on and speed is variable up to about standard electric typewriters.

The machine is a major

areas of business relatively unis only 38lbs.

touched by automation, asserta the 400-page study, "Word Processing in Europe."

Cator which Roneo has sold for a the state of the state of

Sales growth will be fapid and Roneo Vickers, Roneo House, a road train, when it can haul will reach £529m. in the decade Lansdowne Road, Croydon CR9 65 tonnes.

2HA. 01-686 4333.

The first production models of

the 400-page study, "Word Processing in Europe."

Paperwork has been growing and has led to a larger proportion of the work force being employed in officea. A fundamental alteration of ingrained work patterns is required, the study asserts.

Mechanical text editora are responsible at present for virtually 475 middle range duplicator the enlire European nurket. Isales will climb until the early 1980a but, under the Impact of display-based equlpment, will begin to fall slowly and total E891m. In the next ten years.

Stand-alone display-text processors are still novel in Europe.

Sales growth will be Tapid and

The inatural advance on the 250 stencil duplicator at the century.

Roneo has signed an agree-then with Office and Electronic through its aubstillation of ingrained work patterns is required, the study asserts.

Three-axle

Truck from

Fodens

Fodens

A HEAVY-DUTY three-axle truck, grossing 36 tonnes, bas been developed by Fodens, Elworth Works, Sandbach, begin to fall slowly and total E891m. In the next ten years.

Stand-alone display-text processors are still novel in Europe.

Sales growth will be Tapid and

Roneo Vickers, Roneo House, a road train, when it can haul

Accurate

HANDLING

ranging from 0.5 litre/hr up to developed by ITT Flygbt Pumps, stations at the Sullom Voe ter50 cu, metres/hr.

Toe feeder has an upper (0602 241321).

Toe feeder has an upper (0602 241321).

The pumpa are of stainless first into tanks and subsequently is conveyed to a lower vessel by etecl, and driven by 3bp electric into tanks and subsequently impeller, via three pressure molors. They are available in Main point about the equipmently apertures in a level-either fixed or transportable ment is that it accurately accounted disc. This disc keeps a versions regulating apertures in a level-either fixed or transportable ment is that it accurately accounted disc. This disc keeps a versions.

Liquids at temperatures up to the financial value such as temperature in the lower 40 deg. C can be pumped, and perature, pressure, density and vessel propels the powder with external cooling of the gives a result to 0.1 per cent. Through a circular orifice to a bousing jacket the pumps will rether than the 1.0 per cent. The deal with liquids at temperatures mon in the past.

Ontput speed is regulated by

ontput speed is regulated by altering the opening of the gate and the speed of the lower disc. It is claimed that cavitation and bridging is eliminated.

Gross pulses from meters are electronically scaled into engineering units after the accuracy of the meters has been established by passing known volumes through them. The effect of temperature changes on the oil is

perature changes on the oil is taken into account on a regular basis and compensated volumes are displayed for each basis.

An interesting dampers and compensation of the equipment could pay for the

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iron castings

**PROBLEMS** 

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analyses

SIEMENS has developed an auto matic telecommunications cabic thecker K1076 which is can trolled by a computer and therefore fester and more expensions. nomical metbods.

Having checked for the correction of the test sample it instrument will then took sbort or open, crossed or grou control of open, crossed of ground contocting conductors and the go on to measure loop and othe resistive parameters, effective single wire and coupling capital tance, shung conductance, an

dissipation factor.
Suitably equipped, the system will also register crosstalk con lings, Measurement frequencial extend from 128Hz to 1000 H. The tester is programmed Basic and bas a storage capacit of 28 kilobytes and a word length of 16 blds. The measured data. routioes and peripheral units for taken over with Series 10. First gram and the results produce the machines of the earlier delivery to a customer will take on a page printer. Each program series will run with 220. The place from Utics in April but once written can be stored a latter has a larger and faster manufacture at the two U.K. central memory, faster discs and sites will be built up over the a faster central processor, for year and with some 80 per series of 16 blds. The measured data evaluated according to the printer of the printer

# WEST EUROPE's word-processing market of the 17 committees and average of 7 per cent. Value of the Work of the Work

# road train, when it can haul tonnes. The first production models of will grow fast

And the properties of the policy of the properties of the policy of the

a faster central processor, for year and with some 80 per cent. which a new system software of 220 units expected to go over-

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REMARKABLE improvements in industrial performance can result from the intelligent application of already existing technology.

This is the theme of the first technology transfer conference to be mounted by the Committee of Directors of Research Associations. It will be held at the Hyde Park Hotel, London, on May 9 and 10, and will have a strong practical bias.

strong practical bias.

The CDRA represents people

The CDRA represents people who live by technology transfer—the Industrial Research Associations—and it is calling the conference Transtec T7.

Emphasis will be placed on examples of successful technology transfer involving industry and Research Associations and a policy background will be provided by speakers from U.K. Government and from the EEC.

The main aim will be to give

The main aim will be to give representatives from industry, from government and from the Research Associations the opoortunity to exchange up-to-date deas and experience and to give full support to the declared Government oolicy of encourage-ment for technology transfer in

Information on the meeting from CDRA at 47. Victoria Street, London SW1H 0EQ. (01-222 0589.) • PROCESSING

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complete dispersion of ingredients and their bigh circulating action ensures gentie mixing of fruited and all other special Baker Perkins on borough (0733) 262 000,

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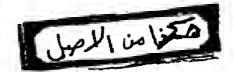
tourists

in shops

By Michael Thompson-Noet

spend

more



### o move British entre

### / STUART ALEXANDER

e number are employed at

hout 500 will be employed at new complex, to include a ning school designed to cope 1 5,000 people a year from kshop mechanics to dealerproprietors.

olkswagen is holding pre-ting mary talks with the General Monicipal Workers Union r provisions for redundancies has promised that under the he "above normal redun-nicy payments" for those who

## 'ostal chief

postal prices were to be re-ined. Mr. Alex Currall, laging director of posts, said

he time had come for the oduction of a reliable and e extensive system of conions measurement of postal fic. he told a London meeting the Direct Mall Producers ociation and Postmasters.

a system would give a trer insight into customer vice and open the way for vickers signalled its intention, with the aim of getting an excluential productivity improve tential productivity improve market leader in the manufacture market its full range of products.

The system would give a tree in the aim of getting an excluent and productivity in the nanufacture market its full range of products.

### Diplomats give warning on service cuts

BY DAVID CHURCHILL, LABOUR STAFF

Could take "direct action short among his members over the structure of a strike "if the expected cuts past few months as the implication to build a central to the Diplomatic Service were tions of the overall Civil Service in genneer in sectors of the oil house and beadquarters at made came last night from the cuts have become apparent.

It the closure of five regional contents of the outs have become apparent.

It the closure of five regional contents of the overall Civil Service in genneer in sectors of the oil industry.

Mesa was one of several contents of the contents of the outs have become apparent.

It the closure of five regional contents of the outs have become apparent.

It the closure of five regional contents of the outs have become apparent.

Mesa was one of several contents of the outs have become apparent.

Mesa was one of several contents of the outs have become apparent.

The survey shows we will be added to the outs have become apparent.

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The survey shows we will be added to the outs have become apparent.

### renewed growth for finance houses

Productivity

\*\*Revertheless, there will continue to be sound and profitable business to be done in the fields in which your operate and I believe that the finance-house operating with its speciatised expertise and with a tradition of innovation and adaptability in provements in the tal husiness were vital if rises

\*\*Term years of rising labour the finance-house operating with its speciatised expertise and with a tradition of innovation and adaptability of leasing finance would be will continue to have an impor-

tant role to blay."

BY MICHAEL BLANDEN

A CONTINUED role and renewed growth for the finance houses, they bouses was forecast last night would not be able to meet all by Mr. Gordon Richardson, their wishes in relation to the floated planted died legislation on the licenshing of deposit-taking institutions. He warned the Finance Houses would not be less would not be seed to shift more resources into he warned the Finance Houses would not be seed to shift more resources into he warned the Finance Houses, they be wishes their wishes in relation to the planted to restrict their husiness by confining the conduct of current accounts and a result of past changes in difficial policy and the present implement.

More Talente young State-owned National Freight year contract as part-time chair. Mr. Peter Thompson and Mr. Peter Thompson and Mr. Peige to the made the appointment of Mr. Thompson and Mr. Paige to the head quarters staff since 1970 and had the appointment of his accept in the conduction of the solution. The changes, announced hy Mr. William Rodgers, the Minis and ded the strength of professional transport men to the Board, and the planted to restrict their husiness by confining the conduct of current accounts and a result of past changes in difficial policy and the present implement.

Mr. Ronald Barnes, the association of the Consumer Credit confirmant, said that the last of the consumer Credit confirmant said that the last of the consumer Credit confirms and the present implement.

Mr. Ronald Barnes, the association of the Consumer Credit confirms and since decentive in the for the remainder of his three bactering to corporation. Mr. Peter Thompson and Mr. Peige to the made the appointment of Mr. Thompson and Mr. Paige to the bead quarters staff since 1975, has heen executive vice-chairman (operations).

The changes, announced by Mr. William Rodgers, the Minis in the said yesterday that he bapt with the appointment of Mr. Thompson and Mr. Paige to the bead quarters staff since 1975.

Mr. Rodgers also announced in the conduct of policy and the present implementation of the Consumer Credit ciation's chairman, said that the

corporation tax, like other taxes Mr. Richardson, speaking at were fixed at the beginning of the association though dinner, the tax year instead of retro-indicated that while the autho- actively.

### Vickers sets up washing machinery division

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

market leader in the manufacture market its full range of products of industrial washing machinery agree in the pay policy discussus, so that productivity agreements could be destgned to give it a share of the benefits.

The group hnpes quickly to fill they actual left in this particular manufacturing and market in the pay and in the pay and in the pay policy discussus, so that productivity agreements could be destgned to give it a share of the benefits.

The group hnpes quickly to fill they actual left in this particular manufacturing and market income they actually they are devision which "will concentrate on expanding the design manufacturing and marketing of the liquida manufacturing and marketing of

### Quality allegations rejected

evidence that unsafe of the allegations being made. makers

STLAND AIRCRAFT, acting components had heen used in behalf of its subsidiary, stland Helicopters, yesterday led the Ministry of Defence ejecting suggestions that universe bell Type 47 Sioux light copters first made under nee by Westland some 15 ago.

The allegationa that some its for the Bell 47s were afe were made in newspaper afe were made in newspaper afe were made in newspaper the distance of the U.S. Federal Aviation Agency what spare parts made by the U.S. Federal Aviation Agency than Bell might westland in collaboration with the use air worth, and to never made in the U.S. were not sive re-cebeck of all the Belt parts of the Stland said investigations they were airworthy, and to duce evidence that unsafe of the allegations being made, makers.

"So far, no reason for placing operational restrictions on these balleopters has been found."

Where Wessex helicopters used by the RAF are concerned, tho parts used were made under the quality of the parts had been westland's own qualify control in the U.S. at the request of the Ministry of Defence and subfiction.

"Following the original altega."

"Following the original altega."

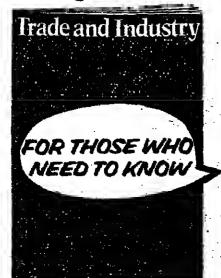
"Following the original altega."

"The Ministry of Defence and Westland are satisfied that no unsafe components of this type than been issued to the RAF."

Westland a comprehensity of Defence and westland are satisfied that no unsafe components of this type than been issued to the RAF."

Westland are satisfied that no unsafe components of this type than the U.S. to the Belt parts of the Stland said the allegations made in the U.S. were "not sive re-cebeck of all the Belt parts whose parts of U.S. origin all establish the truth or otherwise come from approved proprietary duce evidence that unsafe of the allegations being made."

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right decisions To: Trade and Industry Room 439, 1 Victoria Street, London SW1H 0ET

### Mesa Petroleum left out of new offshore round

BY RAY DAFTER, ENERGY CORRESPONDENT

MESA PETROLEUML discoverer A FIRM warning that senior tie Service, said last night that fields in the Norto Sea, has neen diplomats in Britain's embassies it reflected changing opinional excluded from the latest round could take "direct action short among his members over the of offshore licences in elecum-

attract

more talent



BY IAN HARGREAVES

New men join Freight Board

• The Chevron Group's decision to order a third production plat-form for the Nintan Field is questioned by nil analysts at Wond. Muckenzie in their latest

developing the northern exten-sion of the field, including about

report.

Chevron said this month that about £200m was to he spent on

The expital also attracted 10.5m, visitors from within the U.K. Overseas visitors accounted for 70 per cent, of London's 1976 tourist income.

On the whole, visilars to London are voung—seven out of 10 are under 35 The survey also discloses that more and more visitors are returning to London for repeat

Two-filths of the visitors questioned said that they could not think of any problems they had encountered as tourists in London here was some concern about high prices, but this has

declined over the past frur changes alone similar lines at Neither Mr Thompson nor Mr British Rail last month.

Mr. Thompson inlined the corresponding their promotion.

Neither Mr Thompson nor Mr Years.

Neither Mr Thompson nor Mr Mr Thompson nor Mr Mr Thompson nor Mr Mr Thompson nor Mr M

# Whereinthe worlddothey insure t

Through the Wigham Poland Group, of course.

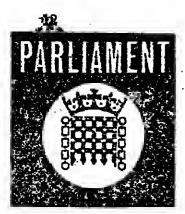
Our French Company. Cofast in Paris, is not scared of heights. As one of the world's largest insurance broking groups, Wigham Poland with its network covering five continents can help you with any insurance problem on land, sea or in the air.



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### Verdict by ships Bill examiners likely soon

By type Owen. Parliamentary Staff

THE VERDICT of the Paritanentary examiners who have been considering whether the Aircraft and Shipbuilding Industries Bill is a hybrid measure is expected to be appounced within the oaxt few days.

Askeg by Lord Belisham (C.)
Opposition peers ind by Lord Bright (C.)
Opposition peers ind by Lord (C.)
Opposition peers i

### Written Answers

Mr. John Oshorn Con-Sheffield, Hallami, Could steps he taken to discourage the deliberate winding up of busifer of assets to acother name. -at the same time leaving unsuppliers already faced with severe cash-flow problems?

Mr. S. Clinton Dayls. Under. PRESSURE ON the Government tions in the U.K. by May or June, the-post method for ordinary incompanies acts to show its hand on the prontised 1978, as scheduled, and to U.K. elections.

The constituencies for the co-portated with the Government tions of African employees had to use of PR.

The constituencies for the co-portated with the Government tions of African employees had the co-portated with the Government tions of African employees had the co-portated with the CEC poll would be roughly ment. Mr. Edmund Dell, Trade possible including provisions for proportions and of husinesses. Evidence produced of any tional representation, in the law which are House of Lords.

The constituencies for the co-portated with the Co-portated with the Government tions of African employees had to use of provide the constituencies for the constituen support is forthcoming, the legis-lation could be through the Lords in England, and one each for leaving Labour with only five or

Mr. A. P. Custain (Con., Folkesione and Hylhe). What annual expenditure on overseas Although there is no serious England, and one each for Scot. Nationallists and Ulster trade fairs during the past five prospect that the Bill will find land. Wates and Northern Unionists would make a clean sweep in Scotland and Northern or that it will be given time in the single transferable vote freland.

Mr. Michael Meacher. Under Secretary Direct expenditure on overseas trade fairs has increased steadily over the fire years up to 1975-76 from £3.Sm. to £9.5m.

Mr. Philip Goodhart 1Con... Beckeuhami. What acomn is heing taken to promote the sale

heing taken to promote the sale of Brilish books overseas?

Mr. Mtchael Meacher. The ex port services provided by the British Overseas Trade Board are available to the book publishing industry and I understand that they are making good use of

Mr. Nicholas Ridley (Con., encester and Tenkeshuryl. Will the Secretary for Trade initiale an inquiry under sec-tion 32 of the Companies Act 1967 into the affairs of Labour Party Properties?

company limited by guarantee curriculum, and, in the absence of issued Replying t

Mr. Ruger Sims (Con., when the extensive consultations, those working for it. Chischurstl' is it the policy to encourage third country trading by British merchaot houses?

Mr. Ringer Sims 1005, when the exicusive consultations. Those working for it.

Earlier, Mrs. Williams had The Education Secretary went am also considering how the heen asked by Mr. Michael Maron to point out that the report houses?

Mr. Michael Meacher, Yes, Sir. education might be strengthened entitled A Language for Life.

### CALLAGHAN IN UNREAL ATMOSPHERE

Fifteen minutes of faith, him after he had pointed out hope and charity—an unthat even the Conservative "Right Approach" had sleruly. Commons yesterday. So rare, in fact, that the Prime Minister warned that there would be no ecmomic miracle just round looked round as if to reassure himself that be was in the Bol if he found his falth

buttressed by the Opposition, Mr. Callaghan was even more After the record visible trade deficit and low industriel surprised yesterday by tis production. Mrs. Margaret Thatcher also had her donbts about the Giveroment's direc-

But with en unassuming feith lu himself, the social contract and the economic iodicators. Mr. Callagban a sured her that we were still oo the road to recovery. We are moving in the right direction—but not fast enough yet and there is much mure to e done," he derlared. And

display of political charity. If he would retieve the churches and charities of the hurdeo of the National tasursoce surcharge, said Mr. Juhn Pardoc, the Liberals would not seek in make any political capital out of it.

"I am not used in these geoerons offers," said Mr. Callaghan, as Labour and Tury MPs rolled with mirth at the thought of the Liberals making political capital out of any-

But the Prime Minister said that if the Commons could agree on a limited solution in the problem, it would certainly be sympathetically enasldered. Mrs. Thatcher, rising graciously 10 the implied in the ratios responded that the Government was likely to encounter more Tory criticism

for doing nothing. That was the ene for the hopeful entrance of hir. Dennis Skinner. A persistent critic of those honoured for apparently doing nothing, the Bolsover Left-winger advised Mr. Callaghan to discuss the Honours List with his political

"Then take out a large sheet of clean ... " layender" churused the Tories "white not layender, paper." continued Mr. Skinner. "And write on it ... " he added.

"Skinger" yelled Tory and
Labour MPs with kilarious oneulmity "Resist that remark," Mr.

Skinner said firmly, arging the Prime Mioister to inscribe Instead the abolition of the bonones system. Mr. Callaghan retorted that

he had no intention of abolish ing such rewards for service He accepted that Mr. Skinner —the personification of dashed hopes-dld net want any bonnurs.

Bul the Prime Mintster amid laughter. whether this was due in modesty nr whether Mr. Skianer had arranged the MPs' acclaim to "put lnto my head" a proposal that would .never otherwise have occurred

### Referendum switch provokes rebellion by Labour MPs

no-one actually disagreed with

Atr. Funt's sudden intervent of the thouse of the House of the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Government plunged MPs to the House when the committee the Most of the House only to the House of the House only to the House only

BY RUPERT CORNWELL, LOBBY STAFF

FINANCIAL TIMES REPORTER

Liberals step up pressure

on EEC direct elections

teaving Lahour with only five or

ineother constituencies, nine in six and that the Scottish

aged to eviricate himself after dum could only he brought for matter of major constitutional BARONESS JACKSON of Lodsnor lengthy and heated wrangling over procedure.

Bravely, Mr. Foot tuld his mediate protest from Mr. Douglas character of the clause on the ment, and Lord Baker of war-time.

House need get in any tangle at E.). "Don't yo urealise that makall about what has happened I ing statements like this day after ...Liberal leader Mr. David lotroduced and took their seats have said that I waoted to make day is a sign of the quagmire Sleel supported the change pro
matter of major constitutional BARONESS JACKSON of Lodsimportance. There had been a worth, president of the Institute for Eovironment and Developfor Eovironment and Developgraphing of the Amalgamated Union of asmaller part of the worthing day
asmaller part of the working day
was actually spent on the joh on
British sites; and that
importance. There had been a worth, president of the Institute
for Eovironment and Developtives.

Mr. Baldwin said, that the
a smaller part of the working day
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I define The Amalgamated Union of asmaller part of the vartives.

Mr. Baldwin said, th

### Minister finds African pay co-operation

ALMOST ALL the British sub-agreement proposing: sidiary companies in South Africa, asked to make available

nesses Evidence produced of any thouse of Lords.

In the law which are loopholes almost certainly exaggerate the Mr. Dell told Mr. Jeff Rooker distortions already innerent (Lab., Perry Barr) that only six in the winner-take-all system.

Liheral leader Mr. David Steel lish information and be boped which are loopholes in the loop winnerent of the SI British seats at Strassing with minor loop with the winner-take-all system.

Liheral leader Mr. David Steel lish information and be boped which the constant of the steep would reconsider.

Liheral leader Mr. David Steel lish information and be boped with the contraction of the steep would reconsider.

The new Bill, sponsored by some the strainly exaggerate the Mr. Dell told Mr. Jeff Rooker distortions already innerent in the winner-take-all system.

Liheral leader Mr. David Steel lish information and be boped with the stendentions almost certainly exaggerate the Mr. Dell told Mr. Jeff Rooker distortions already innerent (Lab., Perry Barr) that only six companies bad declined to publications.

Liheral leader Mr. David Steel lish information and be boped with the winner-take-all system.

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Liheral leader Mr. David Steel lish information and be boped with the winner-take-all system.

Liheral leader Mr. David Steel lish information and be

covered the "overwhelming majority" of Africans employed hy British subsidiarles in South

### By-pass listed for Newcastle

A scheme for a hy-pass west of Newcastle will be added to the Trunk Road Preparation Pool, the Department of Transport said vesterday.

The scheme would extend the The scheme would extend the present Galeshead western hypass from the Scotswood Bridge over the Tyne to join the A63 Cartisle-Newcastle Irunk route and the A696/A68 Newcastle-Edinburgh trunk route. It would allow through traffic between A1/M1 on yesterday she is studying how reaching conclusions. Wr. Forman had complained links between industry and higher further education.

She added that her department was also discussing with ment was also discussing with schools the possibility of making industrial studies part of the concerned before recommendations of the recommendation and the south of the contribution and beginning in the south of the contribution and the south of the contribution and the south of the contribution and the contribution and the south of the contribution and the south of the contribution and the contribution and the central part of New-taxation did not encourage young people to embark on a career in industry.

Show REPORTS

Show Reports

She added that her depart, people to embark on a variety in action on a number of aspects.

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She added that her depart, people to embark on a variety in action on a number of aspects.

She added "In particular, the best of commerce about relative to the adult literacy to the adult literac Isola 2.000 .... 250 530 Good Sun Excellent skills conditions La Plagne .... 63 L50 Good Soow Excellent piste skilling Niederand .... 49 100 Fair Fine Good skilling on hard pistes 

SCOTLAND
Cairngorm: All runs complete, new stow on a firm base. Vertical runs 1,606 feet. Acress roads slight snow. Snow level 1,500 feet.
Glenshee: Male runs comolete, dew sno won a firm base. Lower stopes ample nurstry across. Vertical runs 1,000 feet.
1,500 feet.
Glenchet Mate runs complete.

1,500 leet.
Glencoe: Llain runs and lower slopes complete, new snare on a firm base, Vertical runs 1,500 leet. Access roads clear. Sno where 1,600 leet. Forecast: Cloudy with sheel or snow, perhaps drifted in strong conth-east winds. Brighter with wintry showers later.

Leyland men urge strike

to gain pay freedom

Government would do a least on a further round of incomes strike on Friday by toolroom limits was union policy and that policy "at ther own risk."

The unanimous vote by 300 Levland stewards represented ful Longbridge. Cowley and Last night, three strikes at the feeling of "millions of people who are fed up to the teeth with pledged their support, but hack limits were replaced.

Levland stewards represented ful Longbridge. Cowley and Last night, three strikes at the social contract and all it ing in other plants is weak. In London, the chairman of princesses. Dolomites, Stags, where not presented that if the Amalgamated Union to-day are the Allegro, TR7 and that if the Amalgamated Union to-day are the Allegro, TR7 and place about the future of pay Scanlon, AUEW president, would cortina at Ford Motor's Dagenthe survival of a Lahour administration.

In the strike went ahead, there missal of an assembly worker.

REPRESENTATIVES OF British The stewards decision comes would be serious disruption to Leyland's 130.000 manual worms a critical day for Leyland Leyland within a matter of days, kers voted in Birmingham yester. Cars when production has almost he said. day to call for a one-day strike halted as the result of a series. Mr. Frascr. who had been and lobby of Parliament in sup in disputes. By last night more linbying Midlands Labour MPs port of an end to pay restraint than 18,000 workers were either at the House of Committee. A national conference has on strike or laid off.

port of an end to pay restraint than 18,000 workers were either at the House of Commons with A national conference has on strike or laid off.

A national conference has on strike or laid off.

A discussion document claimed the union had rebuffed the union and labour moved and beautiful and the present situation of incomes policy. "Inside Leyment" in support of a return to on incomes policy. "Inside Leyment but at getting some relief in the free collective bargaining when land we are sitting on a powder the present phase of pay policy keg. Our members are so frustends on July 31.

Mr. Derek Robinson, chair hown up out of all proportion." Inside Leyment will be circulated the union had rebuffed the union

### **Construction sector** favours national work and pay deal

LABOUR NEWS

BRITAIN'S £4hn a-year engi- 3.—More involvement by the neering construction industry, naions and management in the which has been severely criti-training of apprentices and cised recently for poor site adult workers; performance, took a step towards 4.—A much higher hasic rate agreeing upon the need for a of pay.

new national pay and conditions British engineering construcagreement yesterday.

The state of the projects took longer than agreement yesterday. tion projects took longer than At a special National Economic similar projects abroad the NEDO

Development Office Conference report found. It also discovered in London such an agreement, that manning levels were conwhich the Office has backed for siderably higher on the British several years, won support from sites studied; that productivity Mr. John Baldwin, general secre. was lower on British sites than tary of the construction section abroad; that absenteeism was of the Amalgamated Union of higher on British sites; and that

Mr. Baldwin said, that the recent NEDO report on engineer hig British engineering sites ing construction performance at during the past year on the lack British sites, prepared by a tripartite team of managements of future nrders in the pipeline. Other factors included wage clients and the unions, put the British industry "in the fourth skilled people and staff taking division among international jobs abroad to earn better money. division among international lobs abroad to earn better money construction lodustries."

Mr. Causey also supported the onstruction lodustries."

Mr. Causey also supported the He put forward a four-point idea of a national agreement for

action plan, including a greement proposing:

1—To de casualise jobs on the solidated pay rate of not less

big engineering construction than £2 an hour. But such an sites:

workers:

2.—A national register of tive had to he between all the

employers' organisations.

### Plan to move 300 jobs from sit-in factory

BY OUR LEICESTER CORRESPONDENT .

A SIT-IN by 800 workers at the The company statement said Wilds Mellor Bromiey textile the closure was linked with plans machinery factory. Lescester, in to consuldate the operations at protest against closure plans, the more modernised St. entered its second day yesterday. Saviour's Road factory, Lescester.

factory, Lelcester.

agreement if it was to be effec-

entered its second day yesterday. Saviour's Road factory, Leicester.

The men's decision was reinforced by a report that 300 of the 386 johs to be lest would he transferred to the factory at Bookham, Surrey.

Wildt Mellor Bromley is part of Sears. Engineering. Three weeks ago plans were announced to close the Aylestone Road factory, Leicester.

Temporary dormitories have The company said that in splie been set up in parts of the fac-of its international reputation, tors. The workmen have the business had been hard hit by support of a newly set up "wives

### Engineers group seeks TUC aid in conflict

BY OUR LABOUR STAFF THE ELECTRICAL Power

THE ELECTRICAL Power
Engineers Association is writing to the TUC to protest that its attempts to recruiting and gaining recognition in the private sector were heing hlocked by other TUC unions.

It wants the TUC to help find a solution after being told by the sasociation, TASS and other TASS and other the private the private that a section of the Sex Disermination acction the great that its find a section of the Sex Disermination acction to the association the great accidence follows a single decision last year of the association the association that a section of the Sex Disermination acction. The conflict stems from the fact.

Its intervention follows a single gestion by Mr. Justice Phillips, who said at an Employment its membership to engineers in the private sector.

Already there has been friction with the commission's help in a number of plants between solution after being told by the

It wants the TUC to help find a solution after being told by the supervisory section (TASS) of the Amalgamated Union of Engineering Workers on Monday that there was no room in private engineering for another union, particularly one which was not party to agreements in the industry.

In a number of plants between rather than litigation.

A Bedford Industrial Tribunal decided seven women were ensured to equal pay. Electrolux to equal pay the Employ that there was no room in private engineering for another union, particularly one which was not beard by the TUC under the claims outstanding and the cirplex of the Bridlington of counstances of each applicant poaching rules.

### Scottish unions to protest over cuts

By Our Labour Staff

MORE THAN 60,000 local government workers in Scotland are 20 strike for a day on March 9 in protest at the Govern ment's cuts in public expendi-

Support from other workers to join a mass demonstration in Glasgov that day-will probably be sought by the Scottish TUC. The main union involved, their National and Local Govern-ment Officers Association, is to: instruct its members to supdecision of the NALGO special conference last month to make, the strike mandatory.

Backing for the strike is also coming from the Nationa Union of Public Employer. and the Association of Scient tific. Technical and Manageria;

the Strathelyde region—th largest local anthority end been one of the areas wors

NALGO's emergency commit tee yesterday finalised details of its instructions to branche on implementing their national overtime han from April 1.

### Whitbread men may end strike to-day

By Our Labour Staff ABOUT 900 Whitbread brewery workers at Luton, Beds., whose five-week strike has severely dis-rupted beer supplies in the South-East, are expected to decide to-day whether to accep a peace formula and return to work. The formula, reached after

The formula, reached after lengthy talks between manage, ment and senior officiels of the Transport and General Workers. Union, is likely to allow a £20m delivery vehicle and distribution saytem to go ahead. Similar systems work successfully in other parts of the country. The dispute has led to hundreds of Whitbread puhs in the

South-East having only limited supplies of beer since last mouth.

### Electrolux pay structure to be studied

THE EQUAL Opportunities Commission has decided to investigate pay at Electrolux Luton, Bedfordshire. This is the first time it has used its powers or employment under the relevan section of the Sex Discrimination

### N. Sea groups recognise unions

BY OUR OWN CORRESPONDENT

AGREEMENT HAS been reached The unions, having now it is understood that draft on procedures for establishing secured a channel recognised by proposals presented by the committee working on North Sea oil membership after three years of of the Inter-Union-Committee in almost no progress, can be any negetiations were accepted almost no progress, can be any negetiations were accepted to intensify their by the operators.

After a three-hour meeting in Aberdeen yesterday between the expected to intensify their by the operators. The proposals say that any TUC-recognised Inter-Union After the meeting, both sides unloss seeking recognition must committee of full time officials said that agreement had been be a member of the committee, and the U.K. Offsbore Operators reached on machinery which and must have for any intensity of the committee, and the U.K. Offsbore Operators reached on machinery which and must have for any intensity of the committee. The meeting had been be a member of the committee, and the U.K. Offsbore Operators reached on machinery which and must have for any intensity of the committee. The meeting had been be a member of the committee, and the U.K. Offsbore Operators reached on machinery which and must have for any intensity of the unions to tion to secure bargaining rights, the committee of the committee. The meeting had been be a member of the committee, and the U.K. Offsbore Operators reached on machinery which and must have been be a member of the committee. The proposals are the committee of the committee of the committee, and the U.K. Offsbore Operators reached on machinery which and must have a member of the committee. The proposals are the committee of the co

### Premier warns on pace of inflation BRITAIN MUST follow policies 5 per cent. by the middle of next which ensure that the pace of inflation does not increase, the "Who wouldn't?" BRITAIN MUST follow policies 5 per cent. by the middle of next document "The Right Approach." retirement of Mr. Jack Jones. Which ensure that the pace of year, the Prime Minister added: rather than anything said by inflation does not increase, the "Who wouldn't?" Mrs. Margaret Thatcher. The Government, he assured The Cousins bad been rumoured that Mr. Cousins

momentum towards direct elec- it will use the existing first-past- bourg

Industry link with students examined

MRS SHIRLEY WILLIAMS, but intended to have discussions. She replied that although the

Prime Minister again insisted in The Government, he assured he Commons yesterday.

The Government, he assured down a suggestion by Mr. that Mr. Cousins bad been the House, would continue to the House, would continue to work for policies which were upon the level of increases to designed to prevent the rate of Six Board Markington by Mr. that Mr. Cousins bad been the following the strength of the should reprint the rate of Six Board Markington by Mr. that Mr. Cousins bad been the following the same that the should reprint at the should reprint a upon the level of increases io upon the level of increases to carnings during the next 12 designed to prevent the rate of Sir Ronald Mackintosh, chief of Government policy.

Employees of NEDC, he main ment Couocil, for rehuking Mr. tained, were not civil servants from the consumer-led growth.

John Cousins, a member of his "You should condenn threats of the National Economics and the consumer led growth."

"There is no escape from that Jack Ashley (Lab., Stoke S.) to free collective bargaining and they make statements which are clared.

Commenting with approval on in looking for support from the Mr. Couling is a leading conmittee on the comment of incomes different or bostile to Government or the Mr. Callaghan answered: "I the statement made by Lord Opposition for its economic tender for the post of general am quite sure Sir Rouald is Watkinson. President of the CBI, objectives the Government would secretary of the Transport and perfectly capable of handling

onsumer-led growth.

John Cousins, a member of his "You should condenn threats
Mr. Callagban agreed with Mr. staff, who wants to see a return to employees of NEDC because

the report.

that he would like to see the have to rely on written state. General Workers' Union when it this, and, knowing Mr. Cousins, rate of inflation brought down to ments in the Cooservative policy falls vacant next year, with the know very well that he is."

Terry Dodsworth profiles the 29-year-old managing lirector of a major part of British Leyland

### Fast route to the top

merged as a strong critic of Unipart intact.

rears, and it is just seven since and, he says, to mounting manufacturers' cars. Unipart le left university. Yet to-day interest. He claims that sales Mopar (Chrysler) all sell bits finds himself with 3,600 of gaskets, one of Unipart's most Mopar (Chrysler) all sell bits to the says. me of the must profitable units by 400 per cent, while the first vehicles and are moving into ine of the must promanic units my and per rent. while the first foreign cars as well.

Strathclyde, in which he spent settle differences without taking the whole company under his calendar campaign was mounted.

The marketing battle that has a lot of time on atudent affairs ing action which simply

financial background. He first keting within the division, was more commonly associated with nomics, he joined AC Delco, the cedural agreements. "I now tke Unipart, Leyland's "com- more than order takers.

dividends

**BUSINESS PROBLEM** 

ISCUSSING British Leyland's petitive" parts concern, into the The hackground to the resent, well-known manage girlic calendar business. This emergence of this new way of tent weaknesses, Mr. Alex was a highly unorthodox move treating the parts operation at ark, its chief executive, once for a company not much given the pressure which swept aid that he had no alternative to publicising itself at that through the industry during the but to put young men "into the time: and, more to the point. 1960s. Parts replacement has othouse and hope that they it infuriated Lord Stokes, the always been quite a lucrative then chairman of the group.

errible when he chose to photographed—Neill managed such as Quinton Hazell, hegan to isagree with the group's plans to persuade Lord Stokes that it emerge to attack the competitive or his own little hailiwick at was all in a good cause. The parts market—bits and pieces aguar Cars. Since then, as he caleodar stayed and Neill which are not patented—while loved into politics and hecame emerged, as he puts it, with the established component pro-

the finds himself with 3,600 of gaskets, one of Unipart's most mapar (Chrysler) all sell one relatively soher managerial general observations about the workers, a £200m. turnover, and pedestrian products, were raised and pieces for each others' jargon. After university at a second the control of the contr

Unlike most of the present there was a serious point activity has brought into the uppeared at lectures "—as well already devoured the as taking both an MBA and a voluminous documents which the uppeared at lectures the lectures the lectures are taking both an MBA and a voluminous documents which the uppeared at lectures the lect gement, he does not come from merchandising and then of mar, ing, aggressive sales techniques degree in marketing and eco-set out the company's preame to the notice of Leyland's to change the inherited attitudes fast-moving consumer products. p management on his brash towards the market which meant nd rather bizarre decision to that salesmen had become little in evidence at Leyland with the marketing like setting up pro- understand the game. But

husiness. But with a large seg-This is a brave policy, with After being summoned to the ment of the operation tied to brious inherent weaknesses: head office to explain his ex-manufacturers patented equipeyland itself had no- little travagance—following the hal- ment, a degree of complacency couble 18 months ago with Mr. lowed traditions of the calendar had crept in which made it a confrey Robinson, who turned business the model had been natural target for predators. com high filer into enfant flown to a tropical island to be Specialist parts manufacturers,

But this episode does not where Pirelli left off, with a on reptacement for themselves.

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But this episode does not where Pirelli left off, with a on reptacement for themselves.

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But this episode does not where Pirelli left off, with a on reptacement for themselves. eem to have weakened the finely-tuned combination of The car manufacturers have appetite for elegance and exposure. It was now reacted in two ways. First, orporation's appetite for elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure. It was now reacted in two ways. First, or elegance and exposure and exposu into an aggressive sales com- the retail trade, and gear. In the past two years 400 of doorstep. The parts division's pany. His salesmen would go ing up activity in their garage these centres have been appeared. pany. His salesmen would go ing up activity in their garage these centres have heen opened, main warehouse at Oxford is at Nor is the U.S. product liability not compute up an irrepresation of the calendar—it comes in the calendar—it comes is sheet of the calendar—it comes is not doubting the present strike-bound, and work problem linked with exceptional enthusiasm of Levland dealers is problem linked with exceptional enthusiasm of Levland dealers. where many feet or the catendar—it comes moved more strongly into comes the present strike-bound, and work the present strike-bound, and the present strike-Mopar (Chrysler) all sell bits relatively school managerial members of the moving to moving the moving the moving the moving to moving the movi

> So hehlnd all the gimmickry, ensued from all this competitive These techniques were most

that is the preceding year basis refusal to allow the deductions



John Neill with a page from the calendar he introduced for Leyland's Unipart business.

shops," the display centres in establishing targets,

appeared at lectures "-as well already

development of the Unipart grammes, giving presentations, shall learn.

1972-73 £1=\$A2.013

SA1= 49.677p

1973-74

60.168p

ses of assessment under case possible.

of schedule D should measured by reference to the London huying rate for Australian demand drafts on

the date on which each divi-dend was payable; this la implicit in the legislation but

is not spelt out anywhere. In practice, if the taxpayer does not object, the Revenue often uses an average rate of exchange: whether this henefits the taxpayer or the Revenue depends on how the dividends are spread (or bunched) over each 12 months." The average rates of exchange adopted by many Inspectors for case V purposes are as shown in the above table. If the strict exchange-rate

Labour MP, Robinson has his marketing strategy for ducers also began to move into garages which were conceived people stick to objectives, getnerged as a strong critic of Unipart intact.

distribution with the aim of and taunched by Neill himself, ting rid of them if they don't— The Unipart calendar starts grabbing some of the margins These display areas are meant are familiar. His first ioitiative

siasm for what Unipart has been behind him, he is moving

So the areas of modern "although I don't necessarily

BY OUR LEGAL STAFF

\$A1.69 59.1716p

Taxing overseas and 5 (overseas income) used by the remitting hank. On the question of the rate of amended. It is hard to advise exchange, perhaps we may quote you without some idea of the case 3 (interest receivable etc.). If the inspector persists in his from a reply published in the figures involved, but oo doubt that is the preceding year hasis regusal to allow the deductions. on June 12, under the heading to accept a working compromise "Exchange control": when he realises that he has liability crisis."

"From what you say, we pre-misinterpreted section 122(1)(a) sume that you are resident; of the Taxes Act. ordinarlly resident and tomiciled in the U.K. (and No legal responsibility can be resident here for exchange accepted by the Financial Times control purposes also). On for the onswers given in these

### The high cost of injuries

BY A. H. HERMANN

THE EXTENT to which manu-wary of the idea of the welfare simulsted facturers should be liable for state, opted for the former, animated cartoon films, showing injury and damage to consumers That it led to such an escalation the degree of care which the caused by defects in their of claims and awards is due to victim will require and the products, even if they were not three peculiarities of litigation miseries he or she will suffer, negligent in producing them, is in the U.S. an increasingly pressing The first growth factor in the wood studios at custs reaching question. Other related questions are whether the liability liability industry" is the system Representatives of European countries. should be limited - and of contingency fees. The industry were made accutely whether the insurance industry attorney (as the U.S. com- aware of the American product can cover it-or, whether the hination of solicitor and liability p nhlem at the First

mental and inter-governmental it successful. However, the tinns. Represental commissions and only from time system leaves high and dry medium-size U.S. to time do they gain public those who cannot hope for an painted the picture of impendnotice-mostly in the wake of exceptional disasters like that caused by the administration of Thalidomide

The situation is quite different in the U.S. where courts award substantial damages and, more

With only a week in the Turkish Airlines crash outside chair Paris-it is the everyday worry of medium-size and small manufacturers of pharmaceuticals. motorcars, machine tools and award of over \$15,000 since the —this would enable manufaceven such mundane products as attorney's outlay in hringing the turers tu hudget against their In-openers.

### Self-insurance

against these responsibilities who have higher claims but and practice self-insurance. But could not meet the costs of litismaller concerns must insure gation if unsuccessful — a risk ted, said Mr. Nader; there were and some of them find they can which in the U.K. hars from not more than 40,000 product the rising in no longer afford the rising in courts all who are not poor liability cases pending before prises, but of whole industries—enormous costs themselves.
such as the manufacture of Another advantage of the co woodworking machines—is said tingency fee system is that the alarmed when Mr. Heinz to be threatened. Industry and attorneys weed out over. Kroeger of the EEC Commissionance companies claim that the entire U.S. accommends to the optimistic litigants who have some explained that the EEC's particular its export capacity one and this protects the courts the present law of European

mass produced goods, some of portant aspects of U.S. litlga. courts. which are bound to missire as a tion. One is the trial of product Mr. John Fraser, Minister of side-effect of incessant innova- liability cases by jury, and the State for Prices and Consumer tion, is now generally accepted, other the admissibility of Protection, who addressed the In the end provision against "demonstrative" evidence which conference provided some reassuch risks must be borne by enables the attorney, who is surance. In his opinion accept-consumers collectively and the financially interested in the ance of the broad principle of only question remaining is result, to go to great lengths in product liability is right and whether this should be done by order to impress the jury probably inevitable. But there including the cost for such pro-Slides and films are projected should your Australian columns. All inquiries will he

How much compensation customers should get from manufacturers for injuries caused by faulty products is being hotly debated

action is estimated at some liability instead of improving \$4,000 to \$5.000; a third of the safety of their products. \$15,000 would not reward his efforts sufficiently.

in Europe at present

On the other hand the system Liability Giant companies can hudget opens the dour to courts to those

are societimes ordered in Hollr-

State should be responsible for counsel is termed) meets the World Product Liability Conthe innocent victims of techno- costs of unsuccessful action but gress held in London recently. logical advances pursued by is rewarded by between 25 per It was a most unusual conferequally innocent manufacturers, cent. and 50 per cent. — in most ence and the issues involved in Europe, these points are cases 33 per cent.—of the were presented in a dramatic being hotly dehated in govern, damages awarded to his client confrontation of opposing fac-Representatives ing gloom with a prophetic

> Mr. Ralph Nader, the pioneer American answered them nyer an amplitransatlantic telephone link while his picture larger than life was screened in the congress hall. He protested that the "product liability crisis" had been artificially induced by a collusion between industry and the insulers who are pressing for legislation which would clip the consumers' rights. He warned against EEC proposals to set upper limits for liability

The extent of the problem is surance premiums. Not only the enough to receive Legal Aid and U.S. courts at present. His Euroviability of individual enter not rich enough to bear the pean audience was impressed— prises, but of whole industries—enormous costs themselves.— but not quite in the way he in-Another advantage of the con. tended. They were even more the entire U.S. economy and in either no case or at hest a weak projected directive differs from is threatened by a "product from an even greater congestion countries by making the manunf work. However, some of the facturer responsible even if he The need to provide for com- worst effects of this system come was not negligent—thus coming pensation to the consumer of to the fore in two other im- close to the practice of U.S.

that basis, your Australian columns. All triquiries will be including the cost for such pro-since or by in the courtroom to demonstrate avoid adventurism by lawyers investment income for the pur- onswered by post as soon as vision in the selling price or by in the courtroom to demonstrate avoid adventurism by lawyers investment income for the pur- onswered by post as soon as vision in the selling price or by in the courtroom to demonstrate avoid adventurism by lawyers investment income for the purtaxation. The U.S. public, still the weaknesses of the product in and the stifling of innovation.

# that is the preceding year hasis refusal to allow the deductions normally applies with special and allowances to which you are inder lax on overseas dividends rules for new sources." As the entitled under subsection 1(a) of september 15) you referred to actual eash income received is section 122 of the Taxes Act, tell exit on 122 (1)(a) of the Taxes actual eash income received is section 122 of the Taxes Act, tell into that you wish your appeal in the tax inspector here assessed and not accounted for against his assessment to he assess any bank charges on hy bank charges I can only heard by the Special Compilection of Australian divisional divisional entities and refers to "the basis exchange figure used by the resolve the impasse in your appeal that the preceding year hasis refusal to allow the deductions normally applies with special and allowances to which you are investigation in that you wish your appeal in the taxes and in the taxes are all the preceding year hasis refusal to allow the deductions normally applies with special and allowances to which you are subsection 122 of the Taxes Act, tell in that you wish your appeal to the taxes and not accounted for against his assessment to he that the preceding year hasis and allowances to which you are entitled under subsection 1(a) of the Taxes and preceding year hasis and allowances to which you are entitled under subsection 1(a) of the Taxes and the Taxes are his preceding the taxes and not accounted for against his assessment to he the preceding year hasis and allowances to which you are in the preceding the taxes and allowances to which you are in the preceding the taxes and allowances to which you are in the preceding the taxes and allowances to which you are in the preceding the taxes and allowances to which you are in the preceding the taxes and allowances to which you are in the preceding the precedin Move into metals. Sinciair sovereign catentator. Brushed chrone 130 (inc. VAT). Hand polithed gold plate 550 (inc. VAT). Hand polithed go

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### hasia is adopted, you should hear in mind that fluctuations in the E/SA exchange rate while funds are lying in your Melbourne bank account may give rise to capital gaina (or losses), under paragraph 11A of schedule 7 to Finance Act 1965, as **Business** books

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WEDNESDAY, FEBRUARY 16, 1977

### Soares knocks at the door

Soeres was telking of the need the economic difficulties. for a 10-year transitional period; But these are not the only now he says Portuguese indus- considerations. A number of try will he ehle to bear the full EEC Governments, particularly brunt of EEC competition by those of the amaller countries 1985.- At the same time, he has removed any lingering doubts about the timing of his Govern-with Greece and do not want a control of his companies. It records the changes at quarterly intervals since 1972 in the with Greece and do not want a cand national insurance control. ment's formal membership repeat performance with Portubutions), of the average earn-application. This, he has congal. Few people now seriously ines of full-time adult mala firmed, will now definitely be questinn Greece's right to early ings of full-time adult mala

### Agriculture

is bound to be one of the and full membership. most difficult issues for the entry negotiations. He bas also Second chance accepted, in his talks with Portugal's case for

PORTUGAL'S new timetable for aeem agreed that it would be EEC entry, sketched out by Dr. most unwise to respond with a Mario Soares, the Prime political rebuff to Lishon, even Minister, in London yesterday if they view the prospect of an appears to involve a more repid tion with little relish. Their line move to full economic integraliving standards bave already move to full economic integra- so far has been to stress tha heen ecoded by taxation as a revolt against the anomalies and tion than he has previously aug-political importance of links gested. Only last week, Dr. with Portugal while underlining

mention of agriculture, which Portugal between association average gross pay is falling.

interest in bolstering Portugal's fiscal drag and his increase in the standard rate of income tax reliefs. Furthermore, if the Nine that Portugal has valid case.

If this recognition is not forthcoming, Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares, who has staked the future of his Government on a forthcoming, Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares who has staked the future of his Government on a forthcoming, Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares who has staked the future of his Government on a forthcoming Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares who has staked the future of his Government on a forthcoming Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares believes fathermore will be unwise to disappoint Dr. Soares who has staked the future of his Government on a future of his Governme card he has repeatedly played economy in order, preferably earning the industrial average no lower in relation to average tax allowances and family allow a full year.

### Slow recovery in output

INTERPRETING THE index of The statisticians have several industrial production is nows good reasons for caution. One days more than ever an art is that the majority of the series rather than e acience, but at which go to make up the index David least it is now possible to involve trenslating current data meneger of the George Tutill Quite apart from the many reconcile without too much into 1970 prices, a process which company which has been flag tricky aspects to the subject of the former was reporting pro- rether than actuel output, and ceptions about flags. duction as virtuelly stagnent this can involve short-term Gisreporting a very graduel mete—when alock levels are youth) the Uninn Jack is mostly about flying the Union Flag uprecovery. The two now seem changing. A third is that the misnamed; it can only be given side down.

this. The proportion of firms the Spring Benk Holiday in the fellen for four auccessive longed Christmas holidays et aurveys, from a peak of 75 to the end of lt. 64 per cent.; for comparison, cepacity 12 months after the turn of the previous business pretation of the index now is the proportion working helow Expectations that the recovery appears to be the last few months of the

The picture given by the selves he a source of error when CBI survey held last month vas holiday patterns alter, as with working below capacity had middle of last yeer and the pro-

that the recovery appears to be the last few monus or 1910 real but relatively slow. The direct question about output is still a little ambiguous, since thought to have risen by about velue means little in a period of rapid inflation and the question about output is after changing little in the little and not changing little in the after changing little in a tion has been eaked in terms facturing production by about (movable) or pole (fixed). facturing production by about for column for consistent with the CBI findings.

1975 nadir

For what it is worth, however, intermediate and consistent with the CBI findings only in the facturing production by about for pole (lacturing) or pole (lacturing).

Ohriously, the more flag along the South Wales coast to go bilingual."

which looks after five ports mercially possible or desirable a twin-cannoned ampbibious turned and despire from Swansea to Newport. It But then he's been accurately the flag along the South Wales coast to go bilingual."

For what it is worth, however, put has been riging only in the intermediate and consumer of the south Wales coast to go bilingual."

For what it is worth, however, put has been riging only in the intermediate and consumer of the south Wales coast to go bilingual."

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For what it is worth, however, put has been riging production by about the more flag along the South Wales coast to go bilingual."

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For what it is worth, however, put has been riging production by about the more flag along the South Wales coast to go bilingual."

For what it is south the constant with the CBI findings.

The more flag along the south wales coast to go bilingual."

For what it is worth, however, put has been rigin For what it is worth, however, put has been rising only in the cerned, though Britans and the answer to the value quest intermediete and consumer the answer to the value quest intermediete and consumer whole are not nearly so keen tion does—making a rough-and. Goods industries: in the investion of flags as other Europeans discovered that the Government name for myself and went cost could be financed from EEC consumer to the value question of flags as other Europeans discovered that the Government name for myself and went cost could be financed from EEC consumer to the value question of t tion does—making a rough-and goods industries: in the investready allowance for price move ment goods industries it is still
on flags as other Europeans.
However, the Tutill group, based
ments—suggest a gradual rise weak—a fall of 0.3 per cent. bein Checham Rucklaghamehira
in Checham Rucklaghamehira
discovered that the Government name for myseir and went
positively encourages Stete around wishing everyone grants. Bu: that was before
concerns to put up the facada Happy Christmas' and Happy Donegan claimed Ireland's extra in real output over the past 18 tween the third and fourth in Chesham. Bucklinghamshire, of bilingualism, it is now look. New Year' in Welsh, but nobody limits in Bruasela. in real output over the past 18 tweeth the third and toward months while the answer to the quarters of 1976 according to has been gratified at the occa- ing for a way of printing its understood me." months while the answer to the quarters of 1976 according to least similar peaks in demand. The volume question does show a the CSO, a high (76 per cent.) similar peaks in demand. The consistent recovery trend since and unchanging proportion of the summer of 1975. It was at firms working below to capacity excuse for flags—Tutil has just the summer of 1975. It was at firms working below to capacity excuse for flags—Tutil has just the paper aldebase of the bandwagon. Frank Jacobsen. The bandwagon of printing its understood me."

Duck

The chain's main Cardiff store without turning the paper aldebase of the bandwagon. Frank Jacobsen about that time that the official according to the CBL. This post unfurled its nwn line in commercial inhiles flags "fabricated". index of production, too, tion may alter if investment merciel jubilee flags "fabricated index of production, too, too may after it investment index large land to the from a rich gold nylm material. BTDB name has appeared in We've had no Welsh trouble, la a 19th-century sign warning index has been that it has tation. The main worry about of national entbusiasm included the Backing Britain campaign. fluctuated from month to month the future lies in the answer to the Backing Britain campaign British Steel Corporation at fluctuated from month to month the future lies in the answer to the stands are commented and a little oddly, the three-day without showing any clear the CBt question about expected and a little oddly, the three-day Port Talbot stands a commented week.

Port Talbot stands a commented rative sun-dial made from ataintrend, and the omeial statistic changes in the volume of our teams have cautiously concluded put: the balance of firms expect that the underlying trend has ling en increase in the next few times of union militancy bring "Bwrdd Trafuldiaeth Dociau lts decision to impose unilater-on a rash of flag-buying. That Prydeinig" which unfortunately ally a 50-mile fishing limit in

F THE social contract falls apart in the attempt to negotiate a third year of voluntary pay restraint, the Government will pcobably need to look no further for one of the principal canses than its own past complacency towarda the greatly increased tax burden which it has placed upon industrial workers at all levels of earnings. Before Mr. Denis Healey became Chancellor of the Exchequer three years ago, he talked with reliah of making the rich howl with anguish. The howls are now coming from the industrial worker. The groundswell of opinion against another year of pay restraint which we have seen in the last few weeks

ia pcobably as much a rebellion

against the way in which real

rigidities bred by the first two

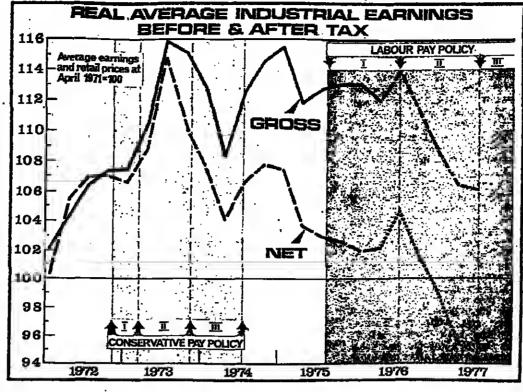
phasea of the Government-TUC

The contribution which income tax bas made to the decline in living standarda is bcought out clearly in the chart. (and national insurance contrifirmed, will now definitely be question Greece's light to early lodged in Brussels next month, membership, but there are in the expectation of a decision plenty who doubt whether the by the Nine to open entry negotiations by early next year at the two new members in a hort time respectively as the soing of time respectively as two new memoers in a normal tail prices during the past three spece of time, especially as years, irrespective of the going spain la waiting in the wings to put in its own application later but in the year. Countries like a process bas left a many most fear the later than the process of the past three years, irrespective of the going years, irrespective, of the nature—or, in the year. Countries like the existence—of a formal process of the past three years, irrespective, too, of the nature—or, indeed, the existence—of a formal process of the past three years, irrespective of the going years, irrespective, too, of the nature—or, indeed, the existence—of a formal process of the past three years, irrespective of the going years, irrespective, too, of the nature—or, indeed, the existence—of a formal years, irrespective of the going years, irrespective, too, of the nature—or, indeed, the existence—of a formal years, irrespective, too, of the nature—or, indeed, the existence—of a formal years, irrespective, too, of the nature—or, indeed, the existence—of a formal years and years. number of important questions Belgium, who most fear the mal pay policy. It is only now, unanswered. He was less than Community's dilution into a with inflation running at about totally clear at his Press confer- loosely knit free trade area, have 15 per cent. a year and the ence about the precise target already suggested that some growth in industrial earnings dete he envisages for full temporary kind of half-way expected to slow to about 7 per membership, and he made no house should he found for cent. that the real value of

> In contrast, the real value of takehnme pay, after tax and national insurance, bas been de-Portugal's case for full mem- clining more or less continu-

# Phase III: tax and the sinking industrial wage

BY COLIN JONES



### OPTIONS FOR PHASE III

Increase in Take-Home Pay

		Low Pa	aid				Highe	r Paid	
	Est.	} Avera	-	Avera	•	Avera earning	-	Avera	•.
A. Lower Taxes	£m.	£ e wk.	<b>~</b> %	£awk.	%	· £a wk.	%	£a vk.	<u></u> %.
Increase in Personal Allowance	,								
Married couple +£140	810	0.94	2.4	0.94	1.7	1.21	1.2	1.72	1.3
Single person +£65	190	0.44	1.1	0.44	8.0	0.62	0.7	0.81	0.7
New 25% Reduced Rate on first	1,000-								
£500 of taxable income	1,250	0.96	2.4	0.96	1.8	0.96	1.0	0.96	0.7
£500 increase in all higher rate thresholds	100 plus		_	~~	_	0.96	1.0	2.30	1.3
B. Higher Pay									
Increase in gross pay of:-									
6%		1.77	4.5	2.65	4.9	4.65	4.7	4.71	3.6
8%		2.37	6.0	3.55	6.5	6.15	6.2	6.30	4.8
10%		2.95	7.5	4,42	8.2	7.64	7.7	7.85	5.9

Assuming (1) average earnings of £74.70 a week for adult male manual worker in manufacturing industry at July 1977;

card he has repeatedly played in the past few months, warning with Community help, and for the Nine of the threat of a "European Cuba" in Portugal with the danger of a domino reaction throughout Southern Europe, starting with neighbour-ing Spain. The point has not been lost on the Nine, who now with a second chance.

The swing of the industrial average in lower in relation to average than in one industrial earnings than in one tax allowances and family allow ances to the new child benefit to reaction throughout Southern Europe, starting with neighbour-ing Spain. The point has not soares is about to provide them been lost on the Nine, who now with a second chance.

The swing of the threat of a domino rate of tax paid by the person of all full-time men aged 21 or constingting the industrial average industrial average industrial average and in the past few months, warning the industrial average industrial earnings than in one tax allowances and family allow ances to the new child benefit to red to the working possibility of raising extra 1½ per cent. In first step in the switch into average industrial earnings than in one tax allowances and family allow and the full year.

There is no even any limit the working possibility of raising extra 1½ per cent. In first the industrial average and provide flexibility, to restore the Nine to give serious thought to restore the nine the industrial earnings than in one tax threshold for mediate possibility of raising extra 1½ per cent. In fine the the venture and subtraction in the native of the percent for the working possibility to restore the tax threshold by amounts which to all gowing overlep industrial earnings than in one to the native in the native in the native in the native in the industrial earnings than in

under 11 who was earning twice 323 per cent. to 403 per cent.) might be able to offer as non-working poor.

as baving been even worse. A per cent. (or, including netional nature of the income tax "re- and taxed relatively heavily, to relief on national insurance con- order to sustain and improve.) married man with two children insurance contributions, from ductions" which Mr. Healey belp pay for the benefits of the tributions It would be administ what it terms the social waste

pay tax on earnings from em-ployment exceeding nnly £20.87 a cut of 2 per cent. in the pre-

sector borrowing requirement sector borrowing requirement limited by the Government's undertaking to the IMF, the sum is likely to be relatively modest. The best outsider's guess at the mnment would seem to be up to about £1bn. This figure could of course be increased by further reductions in malicia. of course be increased by The difference some, or ell, of these tax reliefs would make the net value of different perwhere. For example, each percentage point increase in the during Phase III can be calculated from the table. The CBB and the calculated from the table. The CBB and the calculated from the table. would yield coughly an extra suggestion of a 6 per cent. limi

take-home pay in 1977-78. One under an extra 5 per cent. ne widely canvassed possibility is for the overage earner and the restoration of a reduced rate rather less for both the low-paid of tax on the first tranche of and the higher-paid. But if Mr. taxable income—say. 25 per Healey were to see his way in cent. on the first £500. This £21bn, worth of tex cuts—£1bm would cost the revenue some for increased personal allow what more than £1bn. in a full ances, £1bn. plus for a new re year and reduce the rex-bite for duced rate, end £100m. plus for every taxpayer by the princely a £500 increese in all higher rate

accepted, in his talks with Mr. Callaghan, that there are a large number of serious economic, social and financial problems that will have to be tackled before full membership can be achieved in practice. What he is reelly seeking is not so much immediate cntry as general political acceptance by the Nine that Portugal has be unwise to disappoint Dr.

Portugal's case for full membership in the long run can hardly be denied and the Nine talts 1973. Until now it has not been the quadrupling of oil prices or inflation, between the single moderating to these sort of single while the threshold has been sweeteners for another year of the industrial average in 1972. The chances of inflation, allowed to decline from the decimination of oil prices or inflation, and who bas teceived the maximum increases permitted under successive pay policies since then, plus the same per centage increase as the average in 1972. This pects of Mr. Healey for for would not be full 15 per cent. To the martled man possibility of Mr. Healey for for would not be full 15 per cent. To the martled man possibility of Mr. Healey for for would not be full 15 per cent. To the single person.

The chances of adjusting the chances of inflation, allowed to decline from the couple and, if he wished to couple and, if he wished to couple and, if he wished to couple and inflation, but the couple and the Nine the process of adjusting to these sort of allowed to decline from the couple and, if he wished to couple and it has not been the process of adjusting the industrial average in 1972. The chance of the industrial average in 1972 and who be seen in this context. There is, allowed to decline from the couple and the Nine that process of adjusting to these sort in the industrial averag

trenvely complex and therefore in public spending.

Three years ago a childless costly. Because of the structure couple would have received of income tax, it would benefit £14.48' a week in supplementary the higher paid more than the benefit (including an average rent addition) and they would have started to pay tax, if the husband was employed, once be carned mure than £14.91 a week.

To day they would have a reduced by a reduced roday they would be entitled to £27.92 in supplementary benefit (including rent) but would now tax on earnings from any

sent 35 per cent, standard rate. How much Mr. Healey could lf Mr. Healey wants to help afford to "give away" in hia the manager, as he has more Budget probably not even he than half hinted, then the more known for certain at the straightforward—and as the moment. The pre-Budget fore- table shows—much cheaper, way would be to raise the threshold. casts are atill being worked out, would be to raise the threshold.

But, with next year's public at which the higher rates of tall

-a 3 per cent. norm, plus 3 Whatever the final sum, it is per cent, for wage drift—hap unlikely to go very far towards been holly turned down by the preserving real value of net TUC. It would be worth just

sum of 96p a week-adding, as thresholds—then a 6 per cent can be seen from the table, increase in gross pay and the about 15 per cent, to the net tax reductions would be worth pay of the average earner, an extra 94 per cent, net for the Alternatively (or, perhaps, family man earning two-things additionally) Mr. Healey could the industrial average, an exim devote film to an increase in 81-81 per cent. net for the average. personal allowances—say, an in age earner, and up to an exha-crease of £140 for the married 6-7 per cent, net further up the

### Beflagged

to be much more in line with figures are seasonally corrected, the suffix when the properly and these corrections may them nemed Union Fleg Is flown from Weish woe the jackslaff at the front of one of Her Mejeaty'a vesaela.

maat flying.

family-owned firm, original George Tutill atarted it mainly to produce trade union marketing banners, which are atill made.

difficulty the eccounts of recent is inevitably hazardous when making since the middle of the flying flags, the future is disexperience given by the Central price differences are es lerge as last century, works in a much tinctly uncertain. Post-devolu-Statistical Office and the Con they have been recently. An misunderstood business, and he tion, Walea and Scotland will federelion of British Industry, other is that many of the series cheerily rettles off, then presumably insist on separate Until a couple of months ago are based on delivery of goods demoliahes, a string of miacon national flag identities, and the old St. George's Cross should For a stert (and I am sure become much more common in while the latter, on the basis tortions of some magnitude—this is something everyone elae England. At least there will be of its industrial surveys, was which the CSO attempts to esti-but me learned about in their fewer of those tedious neotests

Apart from independent fleg-Then there is the muddled flying, another sign of increased question of flying flags at half national pride is the growth of mast. That doesn't mean half interest in local languege. The way up the mast, says Thomas: official backing for Welsh is the idea is to position, say, e evident in road signs and in four-font-deep flag four feet education ayllabusea (there is from the top of the pole. And even a Maths degree course in translates as "British Docks and stress Ireland's determinationly the Queen can order half." world baa been somewhat less



ideal training for their into the entry

Ubiquitous F. W. Woolworth

which looks after five ports mercially possible or desirable seaplane the Mitsuhishi U.S. 5.

the manager, says: "We are My "beware" series lives on. It is not the first time the rather cosmopolitan down here. In the East Anglian fen country

the teeth of considerable opposition in Brussels the Irish Government is now working out exactly hnw it la going to police its expanded seaa.

The problem was vividly tilustraied last September when the pride of Ireland's four-vessel fishery protection fleet, the 450 d.w.t. mineaweeper Grainne, "arrested" the 2,700 d.w.t. Russian trawler Belmorye. The worry was that one false move by the Soviet quarry could /e scuppered its captor.

The Grainne successfully landed its catch but the Devid and Goliath dimensiona of the incident led the then Defence Miniater, Paddy Donagan, to complein that the fishery protection fleet was not even sufficient to police the old 12 mile limit. Donegan has since become

Fisheries Minister and rather Ironically it was his laak to stand up in Brussels yesterday tion to bar some of the larger EEC trawlers from "certain

to ahoot poachers on sight and question them afterwards, if practicable."

Observer

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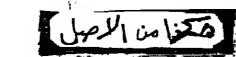


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### FINANCIAL TIMES SURVEY

Wednesday February 16 1977

# London Metal Exchange

The London Metal Exchange Centennial year has started on a buoyant note with price increases for all five metals traded, including record levels for lead and tin. But the outlook is clouded with uncertainty about the world's economic state and the threat of shortages because of lack of investment in new mines.

### Clouds ver he narket

y John Edwards mmodities Editor

-ustrialised world, have financial outcome is more preited a new underlying undictable and the profitability stable guaranteed return for an price stabilisation, reducing seeking protection from the lessening the previous daminative in all commodity more assured."

eseeable future.

ploited in the past. The depth nerability, even if this is not a

deposits worked and the diffi-world view. culty of exploiting reserves. The initia

es and prices of non-ferrons supplied with sufficient raw price stabilisation. tals is distinctly clouded in materials. At the same time ring the 100 years of the the third world, where the bulk dictable has been the be- are now concentrated. Accordfour of metal prices. But lng to the British-North Ameriis the break up of the of millions of dollars of capital --itton Woods monetary system that might have flowed to the ulating international ex- Third World has been invested

In other words there is a . his uncertainty is intensi- great reluctance to invest the .! in the case of metals by increasingly large sums needed growing concern about the for metal mining projects in iletion of the world's non- countries where nationalisation. reases year hy year. The might make the investment supply crisis focused atten-worthless or non-profitable after n on the problem of future a short period. This is a probinlies of vital raw materials lem that will have to be solved industry. In fact it is now urgently if the world ia to have ierally accepted, despite sufficient non-ferrous metal suphe gloomy Malthuslan fore- plies in the 1980s since the gap is by the Club of Rome, that between exploration and actual earth's crust does contain mine production is a long period acient supplies of most raw of five to seven years or more. terials, with the possible There are two main stumbling eption of oil, to last for the blocks. One, friggered off by the oil crisis, is the fear that prot should also be remembered ducers of vital raw materials it many metals do not dis- might decide to try to follow pear once taken ont of the the example set by the oil probund and used by industry, ducing countries and form t can be reclaimed in varying supply cartels that could hold antities for further use. the consumers to ransom, The big problem with the possibly for political motives. pply of primary metals, how. It makes sense in that context er, is the increasing difficulty for the industrialised countries id cost of obtaining them in to develop their own resources e future, compared with the or develop substitutes, where deposits possible to reduce their val-

This leads to the second itennial. This could probably political developments which have discouraged investment in the three discouraged investment in the three discouraged investment in the state of the state of

British-North American Re- raw materials, with greater obtaining raw materials on the lead and silver prices. search Association warned in a known reserves, are unlikely to cheap are numbered, if not gone The success of the LME shown up in the careful, de- has also broadened. special report recently reviewbe effective in the long term and already. The main complication priciog system over the years, tailed, returns in now keeps on Naturalty breause of the three months quotation

mmodities Editor

the resources of the mining amongst others, to eccourage the composition of the modern political world this Exchange in groups which have previously commodity pacts between pro- by copper, where producers and the modern political world this Exchange.

The fall of the modern political world this Exchange in managed to keep the world ducers and consumers to seek consumers negotiating directly might be a difficult argument to gress, but have since become ducer achieves a more dominant markets on the Metal Exchange. A new element in the market for more man merces an instance press, but have since become ducer achieves a more dominant markets on the Metal Exchange, has been the growth of sn-called cal relic of the City of London. year in which the London the mining groups have stumbling block; the need for hogged down by the political role, as seems likely, tal Exchange celebrates its been further handicapped by price levels sufficient to en squabble over Unctad's This means that I courage the investment required elaborate plan for an lotegrated Exchange may well have too promising for the future. commodity programme and Not only do prices have to be multi-buffer stock fund. In the that has served it so well over current metals traded likely to hange's existence - so un- of the world's natural resources high enough but also have to International Tin Agreement the past century, since it be subject to more omside price offer the prospect of remaining too. increasing political argu- started as one of the "coffee control. fact remains that in recent can Research report "hundreds at a sufficiently high level to ments have handicapped the shops" in the City of London. But the Exchange has shown justify the investment. And it previous smooth working of the

massive amounts, often beyond on Trade and Development.

ability of supplies regulated by also lead in a fundamental "mix" just right by having the were hit by the resources of the mining amongst others, to eccourage A prime example is provided the cost of production. But in change in the future for the right proportion of participation carrying bases. appeared to be making good pro- sustain, especially if the pro-

is here that the future role of debate between coosumers and criticism about the volume of powers and ability to adapt in the London Metal Exchange may producers.

The latest the future role of debate between coosumers and criticism about the volume of powers and ability to adapt in speculation influencing Metal accordance with changing circles. Demands by pro-Nevertheless it seems Exchange prices in recent years competences. Membership of the I in the inflation rate in the supplies in areas where the diversified

element of speculation being type of

The failure to start any new tions and speculators,

since the silver contract was This means that the Metal introduced in 1968 does not look radically to change the formula especially with several of the

one bas to dig. the grade of sensible policy from overall supply to the rest of the world, Metal Exchange, which at changes on "paper" money. The with strong producer interests, "long term" investment in deposits worked and the diffi- world view.

are receiving a much more present virtually sets the prices Bank of England sounded a International representation has metals, as well as an increasing. The initial scare that a lot of positive response from coo- of copper, lead and tin world- warning in 1976 when it forced spread considerably so that a awareness by banks and finanparticularly from under the sea. mini-Opecs might spring up sumers worried about the wide outside North America, the temporary suspension of much wider range of countries cial institutions in Britain and all have an effect on the cost has lessened as further studies future supply situation. It is and which also has an import non-trade business in the zone is directly involved in ring, abroad of how to use the of the product. But as the showed that cartels for other recognised that the days of tant influence on the trend in market herause of too great an dealing. At the same time the linancial opportunities presented company represented ted by a contango-when the

ing mineral development in certainly not during periods of is that the political reper- which has resisted all kinds of the 1980s, "the system by which industrial depression. However, cussions of a swing in power alternative attempts to control units deal of fatel blow to the second of the control of industrial depression. However, cussions of a swing in power alternative attempts to control units deal of fatel blow to the second of the control of industrial depression. Atthough streetly non-trade the 1980s, the system by which industrial depression. However, cussions of a swing in power alternative attempts to control unight deal a fatal blow to the 10 become larger and larger. Although strictly mon-trade for mineral development has producer stated about that from the industrialised world prices, is that its prices reflect unight deal a fatal blow to the 10 become larger and larger. Although strictly mon-trade for mineral development has producer stated could place to the primary producers has all kinds of influences not just. LME's role as an international groups with the smaller, inde-business, the extra funds thosing the primary producers have been produced as an international groups with the smaller, inde-business, the extra funds thosing the primary producers have been primary producers. capital has hitherto been found for mineral development has broken down."

The steep increase in exploration and production costs as a mount of investment required for developing new resources to measure a mount of investment required for developing new resources to make a mount of investment required for mineral development has broken down."

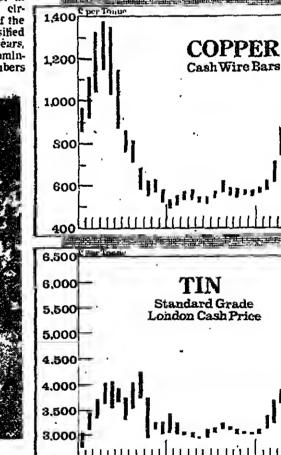
The steep increase in exploration and production costs as a mount of investment required for developing new resources to make a mount of investment required for mineral development has been been on the considerable to the primary producers has all kinds of influences, not just the cost of production. The considerable the cost of production. The production costs as a minerational groups with the smaller, independent, being forced out, Mr. into the Exchange have being house" system to replace I an Foster, deputy chairman, in tited both producers and continuation and production costs as a minerational groups with the smaller, independent, being forced out, Mr. into the Exchange have being house" system to replace I an Foster, deputy chairman, in tited both producers and continuation and production costs as a minerational groups with the smaller, independent, being forced out, Mr. into the Exchange have being house" system to replace I an Foster, deputy chairman, in tited both producers are recent speech warned that the buyer is prepared to pay the countries to take a much more difficult the cost of production. The cost of production. The observe of a metal is what the cost of production. The cost of production in house" system to the buyer is prepared to pay the prioripals' contract cur- a recent speech warned that the buyer is prepared to pay the producers and control in house system to the buyer is prepared to pay the producers and control in house is a market. The cost of production in house is a market. The cost of production in house is a market. The cost of production in house is a m ability of supplies regulated by also lead in a fundamental "mix" just right by having the were hit by cripping stock

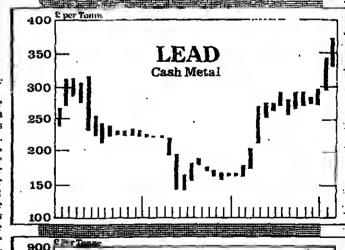
eash price is at a discount to

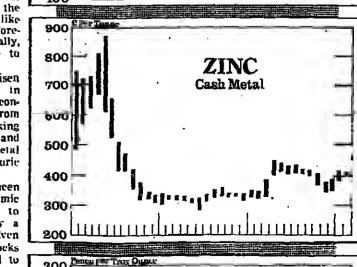
In this role alone, the Metal by banks, investment organisa-Exchange has proved that it is A new element in the market far more than merely an histori-

### LONDON METAL EXCHANGE MARKETS

(Monthly Highs & Lows)











### of the five metals traded

ven the New York copper £1,400 a tonne. xcept North America, where cally low level. oducers have their own fixed ice system).

The London Metal Exchange opper market is also of great bich for many years has been in the 1980s.

flow of speculative funds bas their highest ever level of

### Surplus

numeries, which provide the the cost of production for at International Tin Agreement even more. alk of the world's copper least 50 per cent of the world's hetween producing and consumsports and rely on them as supper producing mines. Cur- ing countries. tevers in the London Metal Ex- producers price, at which the industrial demand has been teir main, often virtually sole, rent surplus slocks, and the A huffer stock, backed by pro- change at present, inflated by hulk of supplies used to be sold hit by the general economic wire of foreign exchange earn. already planned increases in duction quotas when required, the fall in the value of sterling, under direct contracts between recession, but continues to 193. Hence copper is one of output, are expected to ensure has enabled the "floor" to he A large proportion of lead producers and consumers, has exceed new production by a 183. Mence copper is one of duminic and expected to produce the production of lead products and containers, has exceed in a production by a set ten "core" commodities in adequate supplies of copper for defended successfully, with only supplies comes from scrap been disrupted by heavy dislarge amount annually. Even hich UNCTAD is seeking to the next few years. But with one brief exception. But so far sources — something like 60 counting and the availability of though there are ample stocks trange its international price little investment attracted at no means has been found of pre- per cent. of U.K. total lead much cheaper supplies from of silver above the ground to abilisation agreements. Third a time when the cost of increase venting prices rising above the supplies. Consequently produce other sources, notably the LME till the production shortfall for forld producers have also ing production has risen enor "ceiling" in times of scarcity tion fell during the industrial market. irmed the Council of Copper mously, an acute scarcity of -- as now. xporting Countries (Cipec) supplies is expected to develop. The remarkable turnround in mand for lead is kept steadily, tion from the U.S. have also forthcoming unless the price

econdary scrap supplies have producers, in producing a metal tin are helng discovered, while supplies. proved too difficult to regulate. requiring a high energy input, the cost of exploiting known Unexpected extra demand consumers with surplus stocks, rise or fall in grain markets. At present, because high For the short-term the trend lower-grade reserves has risen from Eastern Europe, where a to provide their customers comrices in the late 1960s en- in copper prices is likely to be fast.

big Soviet Union smelter is be- petitively by "mixing" the LME any basic ouraged production, and there largely infinenced by whether or In Malaysia, the world's hig- lieved to bave suffered major and producer prices. This has, developments,

etal Exchange. It altracts warehouses alone there are A worsening situation in only slow progress. industrial and economic well- 1972 and around only 10.000 could possible moves by the U.S. come from releases by the U.S. tain market values. tonnes during the early months to replenish its exhausted strategic stockpile, which still

record levels in both London However, stockpile releases, rms of turnover. But the LME high distorically, they also in for physical supplies. Although present prices look and Malaysia the main market which have filled supply short-arket is acknowledged as the sis for direct supply contracts steep land in the value of steep conjugated in London, the held and their importance to the supplies, mers all over the world ample, prices are at an histori- LME is likely to retain its im- U.S. which holds no known portance as the main pricing the supplies. portance as the main pricing reserves of tin. Prices are, theremarket for the industrialised fore, expected to continue risworld. Over the past 20 years ing although the point is fast Zinc values are currently in tinued buying interest from lin prices have been subject to approaching when substitution the doldrums as a result of con- speculative sources seeking As a result it is estimated control within a "floor" and or replacement will reduce the timed poor demand building protection against inflation and As a result H is estimated "ceiling" range set by the slow growth in tin consomption up sizeable surpluses in the currency changes in this metal

OPPER IS by far the most stocks of copper worldwide workers, when their three-year pounded by shortage of avail- from the Western world, has 40 per cent. of iportant inarket of the five have built up to record amounts. labour contracts come up for able land. Moves to exploit un reduced surplus stocks of lead capacity. etals traded on the London In the London Metal Exchange renewal in the aummer months. reserves offshore have made in the LME warehouses contracts the highest reserves offshore have made in the LME warehouses contracts.

levels in the London Metal Ex- producers' price, at which the Industrial demand has been recession. At the same time de- Threats of anti-trust legisla- supplies are not generally mererore, are for much higher heavy surprises upperson Moves to reduce, and even producer price system. So far these efforts to control from aluminium is likely to be which is forcing prices higher eliminate the use of lead comgives have failed, like past at a much lower ebb than in the and higher, is attributed not pounds in petrol, have been reached whereby individual "open" markets in New York stempts when the combination past because of the production only to greater demand but also greatly slowed down by the oil producers buy cheap price and Chicago, as well as the I production throughout the and price problems which also to the underlying hasic prob- crisis and the priority given to supplies from the LME market, bullium market in London. Price forld and the large volume of face banxite and aluminium lem that few new deposits of making the most of petrol the hulk of which come from trends, therefore, depend more

tas been a low level of demand not there is a sustained strike gest producer of tin, the prob- production shortfalls that have however, entailed cutting hack n the past two years, surplus by U.S. non-ferrous metal lem has been further com- had to be made up by purchases production by hetween 30 to

siderably and pushed up prices of supplies of 1973-74 cansed a

This demand from Eastern looger more lead in the short term but less in the long term, is ex-

LME warehouses and in pro- with its strong historic Lead prices are at record ducers' bands. The European monetary links.

ost interest, reflecting not only over 600.000 tonnes, which com- Southern Africa, another big ade supply and demand, but pares with a previous peak of copper producing area—could so acting as a general indicator 190.000 tonnes in December have an important effect. So term shortage of supplies may been used in the past to main- especially while steet sales indicator 190.000 tonnes in December have an important effect. So term shortage by the US remain shiggish. But in the ing worldwide. tonnes during the early months to replenish its, exhausted strategic stockpile of copper, holds over 200,000 tonnes of Europe, and a switch to expending production are far far agreed to the bage of 1974 when prices reached strategic stockpile of copper. strategic stockpile of copper.

in — equal to the world's maintenance-free batteries from tavourante, once present
Tin prices are currently at annual consumption figure. in the U.S. involving the use of plans are fulfilled, and a move
to higher price levels is expected, particularly as the pected to hold the market firm cost of substitute materials like arket is acknowledged as the algo distorically, they also in- for physical supplies. Although falls several times in the past, pected to hold the market firm for some time yet. A strike by u.s. metal workers in the sum- for some time yet. A strike by u.s. metal workers in the sum- market to provide greater dehate in the future in u.s. metal workers in the sum- mer could also hit available in posing a further blockage to new production.

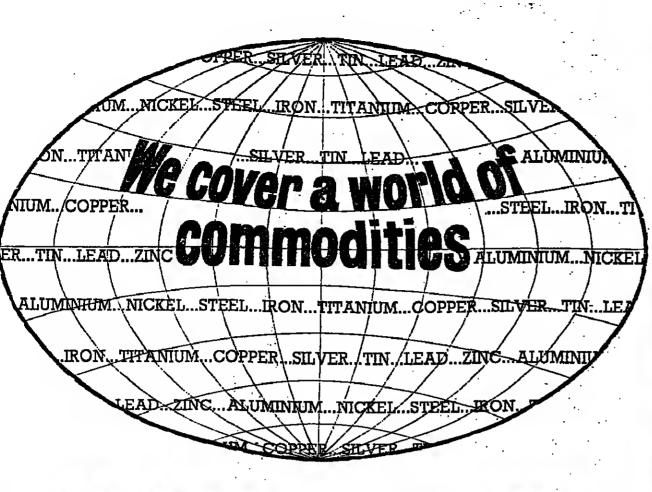
the tin market during the past if not spectacularly, growing by orade producers, with American is sufficiently altractive to seking methods of boosting. The long-term prospects, two years from a position where the increasing use of batteries connections or sales, increased persuade the holders to sell. rices to more "realistic" therefore, are for much higher heavy surpluses depressed — its main industrial use. Ingly wary about defending the The LME silver market The long-term prospects, two years from a posted posted of the main industrial use, ingly wary about defending the The LME silver market, therefore, are for much higher heavy surpluses depressed — its main industrial use, ingly wary about defending the The LME silver market, therefore, are for much higher heavy surpluses depressed — its main industrial use, ingly wary about defending the started in 1968, is dominated

Eastern European sources or on views about inflation, the

Silver values have risen steeply, reflecting the fall in the value of sterling and con-

the foreseeable future, these

A compromise has been by speculators like the other



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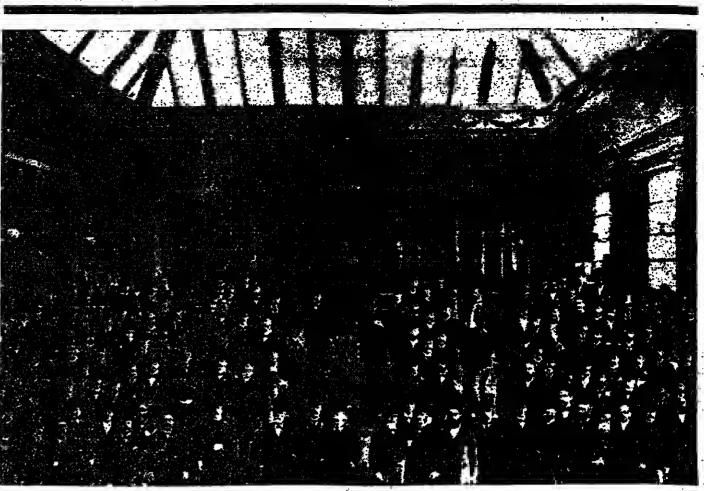


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Members of the London Metal Exchange pictured in 1897 in the Whittington Avenue premises. Since then a "false" ceiling has been installed, partly to prevent rain coming through which on occasions forced traders to put up umbrellas when trading to avoid getting soaked.

# The 100 years since Cowper Court

these it is possible to pinpoint obtain new premises, the inevitably must these require the overall LME concept of a at least some of the more significantly original company was absorbed ments be reviewed constantly in-warehouse contract promptions of the concept of the conce cant steps in its evolution.

merce with the establishment of premises and continue to func-ting his follows et undue risk. selected by the selicr, withou a very efficient financial tion as their proprietor. So in Whether this philosophy (for this protection sellers woul apparatus. The merchant banks, 1882 the Metal Market and it really amounts to that) will find themselves forced to carri the classic Bill on London which Exchange Company brought the continue unchanged is outside stocks of metal in eac smoothed the path of merchant London Metal. Exchange in the scope of this article. What is approved warehouse against the smoothed the path of merchant London Metal. Exchange to the stopped that an increase whim of any buyer, and the and importer, and the growth of Wh'ttington Avenue, where it historically certain is that it has whim of any buyer, and the shipping and insurance marks has remained from that day to survived from the earliest and added cost to the whole high the sall placed their part. Combined the sall placed their part. Combined the sall placed their part. modity markets naturally graviThe only interruptions of this on the LME.

### Decision

oeed as well as to establish their market on a more formal basis under set rules of conduct that they took the decision to set up their own company. This would be at once their local authority setablished as early in the LME's bistory as this:

Okazi came the bappy thought of one of the members who traded in copper and tin. These is universely in the standard copper contract. It has been precisely in the standard copper contract of the members with upward changes negotiating these difficult water in purity requirements right up that an LME Committee itsel the first freeding of the first meeting of the first meeting of the new company took place in January, 1877, and so lit is said that this member political and other vicissitudes.

The tin contract proved just and being so detached as not it as durable—and this in a metal appreciate the finer points, more than usually subject to the gradual spread of the political and other vicissitudes.

The tin contract proved just and being so detached as not it as durable—and this in a metal appreciate the finer points, more than usually subject to the gradual spread of the political and other vicissitudes.

members felt that the Board a watch and a bell. sidered that the Board was little has changed outwardly as Ring has developed a nexus of ware-closely enough in touch with far as Ring trading is concerned. Of lead and zinc the latter houses mostly on the Northern content to the latter house mostly on the Northern content to the latter house most con

The Committee now functions cept of a principals' contract

ant steps in its evolution.

into a newly formed entity, to contain overtrading and pre- any market day up to three London itself emerged as a having an initial capital of clude as far as is feasible the months forward. Delivery 6. centre of International com. £10,000, which was to secure the likelihood of one member put course must be at a locatio

merchants were known to have closures during done work was, mean that or providing a market mean tregularly under the roof of Dealings in tin were recomGresham's rebuilt Royal Exmenced in November, 1949, and ls that it is a forum where cient "chips" as to be impered to the metals follows, with dealchange.

need as well as to establish their established as early in the

be at once their local authority metals were in many senses the and responsible for their own founders of the whole LME The London Metal dealing system, since they were Exchange Company was duly in- the first to be traded in apprecicorporated in the latter part of able quantities, as well as being 1876. It had its headquarters in the best suited to some furm of Lombard Court off Gracechurch standard contract, Here, it was Street, and it held its first meet possible to trade in defined lots ing on December 19 in that year. of metal of a recognised quality The first meeting of the mer- at a given location; in short, to

25. Since then, the tradition of Ring is granted by the Board addition to the market's range, zinc (both of which are pro-Committee elections in March and the Committee jointly to For some time after their in-duced within the Community) and the new body taking office those who are already sub troduction to the market, the to name but two, In many senses at on April 25 has always been scribers. Largely because of its lead and the zinc contracts fol- more pressing was the matter observed.

steadfast adherence to the con- lowed different paths from of foreign exchange restrictions:

IT IS HARD to trace a precise as the Executive of the LME with each taking full financial those of copper and tin, in the record of what must have been with responsibility for its liability for his obligations they were based not on deliver. the many and sometimes fairly discipline and operations as well made in the market, the LME in warehouse, but ex-ship. Fur hectic changes and surges in the as for the daily price quota- has perforce to insist on a very thermore, they did not origindevelopment of the body we tions. The Board remains res- high degree of financial ally permit trading in datesnow know and recognise as the ponsible for finance and general "muscle" on the part of its half-monthly delivery period London Metal Exchange. But policy in addition to the election Ring members. As volume of being decreed, there are records of some of the of applicants for membership. Insiness has grown, and as Both markets have sine key developments, and from With the opportunity to prices overall have increased, so those days come into line with

tated there too, and the metal continuity were the unavoidable. Contract merchants were known to have closures during both world wars,

ings in copper reintroduced in eventual delivery of the goods supplies. At the same time an evolution of the London mar- How did it all work? This was the amalgamation of the require- market must allow for a buye kets. Along with Lloyd's and a merchants' market and those ments for each into a contract or a seller to be sure that th Garroways the Jerusalem in with "something to do" at first providing for a standard lot of actual physical grade of the Cowper Court saw the origins merely used the exchange as a material of as nearly as pos-material in issue is such as t of two such markets—the Baltic convenient place for meating sible standard quality to be satisfy the needs of an even and the Metal Exchange. others who might also have hought and sold forward—de more fastidious industry. But to the metal merchants something to do, and for making livery also to be implicit on Unfortunately, this a less public and more special. a bargain. The true open outery standard terms.

breadth of allowable grades i ised rendezvous was becoming a market was still some way off. At the outset there were two far from an ideal delivery ma:

necessity. For a while they met The exchange had by this contracts for Chile bar copper ket for a fabricator seekin in the newly opened Lombard time consolidated its authority and for Straits fin. The maximarginal requirements over an Exchange and Newsroom. But as the source of representative mum forward trading period above those already contracte the Lombard too was made use prices for the metals traded was set early on at three by his supplier. In the mai of by brokers in other trades there and in so doing it had months; this being the everage therefore the setting of the and to this extent failed to give set certain times of the day for voyage time from Chile via the standards for the LME contract the metal merchants all the official trading. The periods Horn, and from the Malay has been a question of con advantages of a bome of their were short (from 12.30 to 13.15 Straits via the Cape of Good promise between two apparenti and from 16.00 to 16.30) and Hope. This periad still obtains, conflicting requirements—the patter of concentrated offi- and it is amusing to note that broad spectrum within which t cial trading in the room after with all the refinements of tech- hedge and even to price (wita morning of dealer-to-dealer nology the voyage time to-day plenty of metal on warrant) an It was partly to meet this trading in preparation was is not all that different

below electro.

the market for its members to With the introduction to Ring proved the more difficult to pin European seaboard. be properly qualified for this dealings of new metals (first down as to quality, though both This spread only commenced lead, then zine and latterly bave for some years been suc in recent years, and there is as In consequence of this and silver) and the splitting of the cessfully traded. Zinc in many yet no way of defining how far other matters in issue, the old standard copper contract in ways has problems of its own in heyend this immediate area if members of the exchange met 1963, the trading times have that a reasonably generous may go. Rotterdam was the first! in January 1881 and resolved been expanded. But the after purity requirement (98 per port to be taken into the LME to set up a Committee of Sub- noon market continues to be cent zinc) has the odd side deliveries system, early in the scribers which would be elected officially "unofficial" and if the effect of admitting as good LME 1960s, and this was was followed annually on a popular vote and secretary with his watch and deliveries various grades which, by Antwerp, Hamburg and which would be responsible for bandbell has been replaced by although of higher purity can in Bremen.

forwarding the interests of the electronic clocks then the fact be less attractive to users Even this geographically membership at large. The first hubbub of Ring dealings has with certain applications in rather modest development has election was duly held in March continued its staccate way vir mind. If could well be that brought its problems: VAT and

LME contracts—aside fro: is also possible. This entails within the same parameters th

Copper and tin proved not too of to-day's technology.

to 1963. In that year three comprised of representatives o contracts were substituted, of all sides of the equation ha which two electro wirebars and more than justified liself. Some cathodes are still used. The now this body has reached third for fire-refined copper, agreement among its constituen ceased to be traded in the Ring members and has produced or in 1968, though it continues to demand a bridge over the gar be priceable at a set discount between being too close to the game to see the broad picture The tin contract proved just and being so detached as not to

took a piece of chalk from bia After crystallising as such in which are situated registered As bappens from time to time pocket and drew a ring on the 1912, the standard contract re-warehouses (the LME, contrary even in the most staid organis- floor of the room. All took their mained largely unaltered—not to some popular belief, merely ations, there came a moment places around it. Now it was withstanding the disturbing approves and in no way owns when the body of the members possible for a true open out- effects of such ontside influences or controls its registered ware found themselves at odds with cry market to be conducted with as stockpile policies, some made honses) bas moved in parallel their Board of directors. The bids and offers called to the for economic and others for with the spread of the interests disagreement was in the main Ring, the whole proceeding strategic reasons. In 1974 the making use of the market From over the way in which the being timed by an official with standard contract was joined by the early and formulative years a high-grade contract for tin of London merchants taking bad taken to itself responsibility. Since then, and apart from assaying not less than 99.85 per delivery in warehouse within for publishing and reporting the the introduction of the now cent, and to date the two are the U.K.—or of lead and zinc daily prices; it was not con- familiar circular benches, very traded concurrently in the same ex-ship in the Thames—there

of that year and the first Committee assumed office on April

Permission to deal in the contract would be a welcome tariffs and quotas up lead and CONTINUED ON NEXT PAGE



### LONDON METAL EXCHANGE III

# Inside the dealing room to-day

NDING THE London Metal The ring is dominated by a ring and rushing back and forth matters affecting trading on the change is the first problem large flat copper bowl in the to the company phone box, with ring—a legacy of the time when someone who wants to see middle, which turns out to be direct lines to the office, in the Board refused to introduce someone who wants to see a mundane ashtray. Above, order to provide a commentary some reforms required by a internationally important a mundane ashtray. Above, order to provide a commentary some reforms required by a behind the rostrom, where the on what is going on and take in majority of the member combitated in the companies. There are also the ishake their heads if asked the end of the second morning whose telephone boxes are for timeliked forms assisting the end of the second morning whose telephone boxes are for timeliked forms. t snake their needs it asked the end of the second morning whose telephone boxes are far tinguished from the go to the Exchange; the same the end of the Second morning whose telephone boxes are far tinguished from the "ring" ponse is also likely if told ring-trading session, are the away from their ring seat, dealing sessions. The description of the Exchange address is in chemical symbols of the five because of restricted room, the tion "kerb" dales back to the the Exchange address is in metals traded—copper; tin, lead, clerks often use "tic tac" time when the traders used to utilize the components of the components o rungion Avenue. A request mice and silver—lit up indivi- methods to their colleagues on congregate outside the building Leadenhall Market should zinc and silver—lit up indivi- methods to their colleagues on congregate outside the building the trick, but finding the dually to show which metal is the telephones to keep them in to coolinue trading, much to

way millions of pounds are langing hands daily. Casual A sitors are not encouraged, Sessions alike the "soft" (non-metal)

atchful and taut with excite bids.

the trick, but anding the udarly to show which metal is the telephinnes to keep them in to couldne trading, much to thange is still a major exer- actually being traded below. A touch with what is going on, the annoyance of passers-by and thange is still a major exer- actually being traded below. A touch with what is going on, the annoyance of passers-by and thange is still a major exer- actually being traded below. A touch with what is going on, the annoyance of passers-by and thank the trading past large block of numbers, which The Exchange committee has the traffic. So they were moved as even after threading past large block of numbers, which have remarked the best into the building past large block of numbers. meat and produce stores io lights up on occasions, may also heen somewhat unhappy about back into the building for these search for Whittington haffle the visitor on a first occa- this since the similarity with so-called renua, which is distinguished sion who is seeking some way bookmakers on a racecourse is which follow the ring-dealing first sight mainly by a lurid of identifying price trends from inescapable and tends to re-periods. However one rule cafes the market Jargon exchanged inforce the image of a gambling remains—a fine of £50 for any ecialising in the luncheon between members. In fact the casino—a term which critics trader in the Exchange building block of numbers are merely have used frequently over the after 5 p.m.

enti-in punite gameries, and distributes for each of the metals, facilities for her comfort. There official close "—in time for each of the metals, facilities for her comfort. There official close "—in time for curry reasons have made the signified by the ringing of a bell has been no written rule members to get home at a the Exchange either have to be at the end of the session, when actually banning women from reasonable hour. aling members. The trading bell, It then abruptly ends to But it appears that another City New York metal markets. rea is dominated by a big circle be followed by, possibly, a exclusive male bastion has Trading etiquette on the four large curved pew-type quiet trading session in another quietly howed to modern ring is very strict. No smoking benches, comprising metal where there is little in- pressures.

militin public galieries, and trated into short hursts of five necessary to introduce extra afternoon session—the

ale on the Exchange where the and helpers leave the ring to a Membership of the Exchange is during the "kerb" sessions): og-dealing members sit either bored few swopping desultory jealously guarded by the Board, swearing is fined; and traders ent during busy periods or Bebind the benches are the lords for the day-to-day running offers to buy or sell direct to nguidly. with hored clerks and belpers, noting down of the Exchange, and the any other member but "across" pressions, during inactive details of the contracts agreed annually elected management the ring so that everyone has a

ncher trade.

Diock of numbers are merely years to ruffle the feathers of the Exchange huilding is a list of the telephone box arked only by a discreet sign numbers, which light up when the door, which gives little thare is an unanswered incomdication that a few yards ing call.

Diock of numbers are merely years to ruffle the feathers of the Exchange members.

The official closing prices of the Exchange are the settlement prices on which most supply of equal opportunities bas been contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based, at the end formally of the contracts are based. introduction of the first female 1.30 p.m. This is because of the trading clerk to be working on practical impossibility of sorting the Ring, although so far the out contracts and possible Trading sessions are concen- Exchange has not thought it disputes after the end of the te exchange either have to he at the child of the second with actuary hanning women from leasthande hour. The daily nests of member companies no further bids or offers can the Exchange; they just have exchange of warrants each nd officials, or bear the con- be made. This means that a not been assigned there in what morning, as delivery dates fall no omciais, or near the con-derable cost of being an asso- busy trading session in copper, is still very much a man's world due, already makes for a late derable cost of being an asso- busy trading session in copper, is still very much a man's world due, already makes for a late ate member, for example, mounts to a —the number of women at the start, with first trading session it becomes climax of activity with traders Exchange's annual dinner can at 12.00 noon, meaning a late vious why traders on the Ex- frantically trying to conclude be counted on one hand from lunch prior to traders getting lange are described as ring- their husiness just before the the 2,000 or so guests present, back for the opening of the

tween them the 40 seats avail- terest or activity and traders. But past traditions remain periods (although this is relaxed which is responsible as land- are not supposed to direct their between the traders across the committee which decides on all fair chance to respond. The first acceptance is obliged to take at least one lot, but can then farm the rest out to anyone else interested. The LME encoorages the principals, or at least senior executives of the member companies, to trade on the ring. Although this is no longer carried out by many companies, whose senior executive prefer to stay back in the offices there are a considerable number of senior dealers still trading on soft" commodity where the traders tend to be much younger, rowdier, and rely more on instructions from the office. Quick thinking, especially in calculating figures, is the main attribute of a good "floor" trader on any market, but on the Metal Exchange "ring" a loud, clear, voice and confident manner is just as important, since being distinguished above the uproar in a husy tradiog period can make all the difference in seizing the best market opportunities.



It seems at first a strange and peculiar way to spend the day, or a lifetime, earning a living, shouting across an empty circle at a group of men doing exactly It seems even the same. stranger that the prices of vital raw materials should be decided in this apparently, haphazard manner especially during bection periods of activity that often hreak out when the noise of all shouting together seemingly makes it impossible for anyone to understand what is going on, let alone be committing worth many millions of pounds each day.

But the tradera claim that the alternatives would not work as with computers, for example, being unable to distinguish between important influential buying or selling from a particular quarter, a well as not having the personal touch in spotting trading opport tunities. In any event trading on the London Metal Exchange is positively civilised even at the busiest of times when comwith the rough and tumble of other commodity markets, particularly the all-Chicago Board of kicks and fights in an effort to

this instinct for adaptability ing at one central point. So far "free "'market trading and has thus survived and prospered despite its apparent ont of date

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Leadenhall Market in 1882, which was the year the London Metal Exchange

### OWDET CONTINUED FROM PREVIOUS PAGE

aterspersed with more fre- stances

It speaks well for the found- gerous state of mind if allowed ng fathers of the LME-taking to be carried too far, and in a

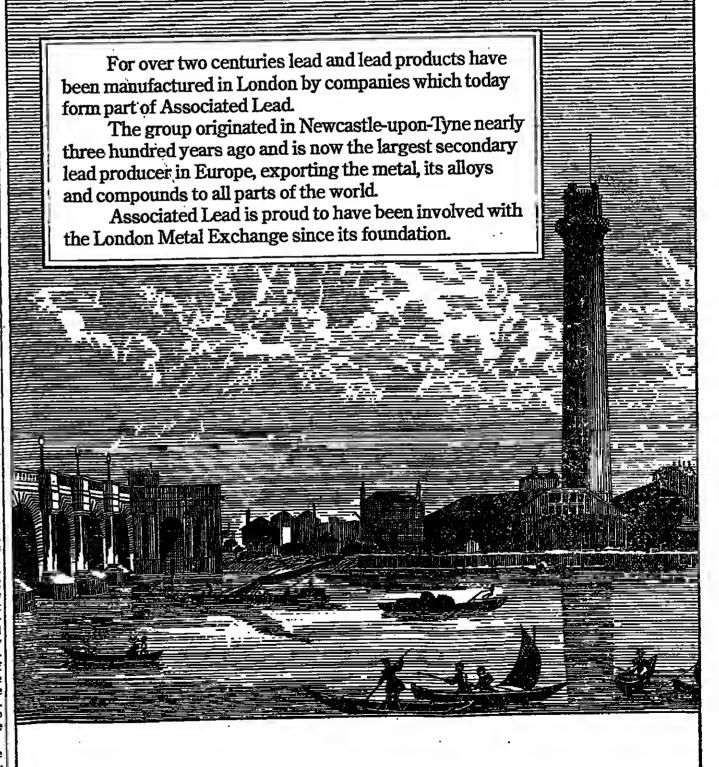
ork out the "Metals Scheme" survived for so long with so dered. which has taken away many of little redesign or restressing. For the LME, as for all the gain attention are part of the he very real problems which in terms of trade, politics, techould well have beset members nology and economics the past kind (and there are not very nd their clients who might hundred years have after all many), continuing haalth is to LME ring is gradually diminishand probably would) have been eventful ones. They have a very great extant a question ing, with a large proportion of sought in London for sterling brought great changes and on of willingness to adapt and to the total business now being netal which was located in occasion vast disturbances of modify attitudes as well as pro- done in "hefore" and "after the arena of international com- cedures: as requirements of hours inter-office trading by the scheme originated shortly merce. That the LME has international trade themselves telephone and telex between fier the reintroduction of the weathered all this with so little change. Any desire to bend metal traders. mer toe reintroduction of the weathered an tills with so these requirements and fit them ring dealing sessions publicly in market in 1949, and bas apparent difficulty is probably these requirements and fit them ring dealing sessions publicly

uent informal and usually con- If there are any qualms tructive encounters. This is of about the coming decades they ourse a relationship of which would be in companion with this ourse a relationship of which would be in connexion with this he LME is both proud and very matter of rigidity. Introversion is a potentially dan-

out here happily the Committee all in all—that both the basic world as specialised as that of Trade grain futures pits, where nd the Bank of England were philosophy and the detailed the commodity markets it is one tempers get frayed under the not slow to get together and elements of the exchange bave which is all too easily engeo-

esulted in a regular liaison because by its nature it is a into an established protocol has express to anyone interested netween the Bank and the Combigby flexible organism and to be resisted firmly. No doubt, the prevailing prices of metals retween the Bank and the Com- capable of almost indefinite the future generation of LME decided by a consensus of the erly meetings at formal level adaptation to changing circum- management is even now having world's huyers and sellers meetfirmly implanted as they go it is the best method found of

> healthy market. R. Gibson Jarvie existence. Executive Secretary. London Metal Exchange

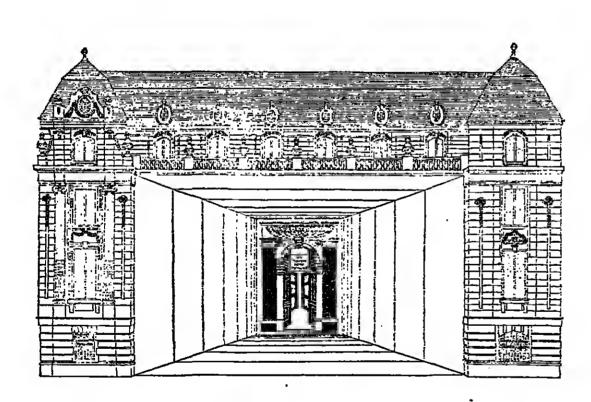


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# Unique among the fo world's markets

price of copper, tin and lead in base metal pricing throughout participation,

world commodity markets. tract terms. It does not go bedging purposes. markets, althnugh there is some member companies, who simply central sorting out of warrants add on the interest rate calcuand payments due each day to lated on a monthly basis to woid unnecessary duplication arrive at the cost of the metal of metal and cash deliveries to be bought, but "paper" each company is individually present to he rolled forward ments across the ring, using a sive, time-wasting exercise that common LME standard contact for anyone wishing the bedge which has a standard contact for anyone wishing the bedge funde that now is speculative that bring not only consider that the big flow of speculative that bring not only consider the big flow of speculative that bring not only consider that the big flow of speculative that bring not only consider the big flow of speculative the b esponsible for meeting commit every three months—an expencommon LME standard contact for anyone wishing to make which has another unusual price commitments for a longer feature — the deliberate exclu-period abead than three months. feature — the deliberate exclusion of any force majeure that silver contract of seven clause which is normally included in any supply contract to allow for some unforeseen development, beyond the control of the supplier, to be given as a reason for non-delivery. Under the LME contract the silver markets both in London triggered off the oil crisis.

In recent years there is no denying that speculative in wolvement has also grown on the promise recognition of the small Loodoo Metal Exchange reflections to the general world under the general world under the general world under the certainty about inflation, curbate that particular market and the certainty about inflation, curbate the bigger, better established, about raw material resources been imposed by the leading companities, who are also the companities, and the companities, who are also the companities, and the companities, and the companities, who are also the companities, and the companities, who are also the companities, and the companities, and the contract the silver markets both in London triggered off the oil crisis.

### Physical

commodity futures markets comresort, for both producers and a clearing bouse for the The warrants are then de always failed, partly because consumers; a place where sur. Exchange, with a central body livered against the sale in three Europe, has a definite influence on market price trends since, although small in total world volume terms, the stocks do represent that final fraction that makes all the difference between a situation of shortage or surplus.

The links between the Exchange and the physical trade are even stronger. Unlike any other futures market, business within the three months abead quoted can be specified for a particular trading day and there can be considerable differences THE STANDARD retort offered organisation. The result has to seek a means of foiling the between the supply availability to those who criticise the LME, been a diffusion of ownership, market.

far mora closely to the physical but effective argument, at least date of delivery, providing for the immediate future. greater protection against price Yet there are trends both in solely concerned with providing meet the wider demands of its On occasioos he can decide in particularly for copper, may be price the supplies received on based. the day before delivery if the In the face of these trends it Role market has risen in the meantime. This enables the fabritation in turn to be able to offer a firm price to his customers as it has. Its early evolution was in response to the needs of the customers as it has a serious loss.

transactions despite the figan-cial commitment involved. In between a relatively small num-turn the members themselves her of mines and a relatively do not charge each other member feels may represent a have become more extensive and financial risk, however small. It inevitably more complicated in

another. It is not a proper is actively encouraged by reduc-commodity futures market ing the cost involved to a mini-since trading is confined to only mum. If a clearing house compromise formula, of a self-three months ahead for the system was introduced this three months ahead for the system was introduced this monitoring scheme, whose decial institutions in recent years base metals and seven months would inevitably involve the monitoring scheme, whose decial institutions in recent years base metals and seven months would inevitably involve the tails are yet to be worked out while the over-supply situates.

### Although other futures

charged by producers outside markets with clearing house the North American continent systems, like cocoa and coffee, and are an important influence include large trade hedging LME the world. This pre-eminent members claim that fabricators were set at a much lower level. supply of natural resource role has been built up during would simply stop or greatly tributions to the existing commuch more difficult to find an emission of the past 100 years on a strange reduce their trade business if reposition fund which pass formula that makes the London faced with the large sums Metal Exchange unique among involved in putting up margins world commodity markets. On the other hand, Exchanga For a start trading on the traders are effectively giving ring-dealing members trading exchange is on a principals' the trade users of the market with each other but does not — in other words three months credit and this compensate outside clients for every transaction concluded is basically prevents them from hetween the individual ring- extending the trading contract dealing member to make the facilities excelled to the commitments. But there is been faced with a greatly in the facilities excelled to the commitments. lealing member companies, who facilities available to a longer

majeure clause is in keeping a principal, instead of pur-recently especially for copper. with the Exchange's unusually strong links with actual physical traders being matched geared that in timea of surplus years a European produced up.

is a residual market of last and against the introduction of three months price.

plus aupplies can be dumped in taking the financial risk, bas months time. The locked-in protimes of plenty and where extra been loog and at times bitter fit—the difference between the supplies are sought in times of between member companies, cash and three months—is the scarcity. The amount of metal with the Bank of England "interest" rate, less the costs slocks held in the LME making no secret in the fact involved in storing and insurance copper. appointed warehouses, scattered that it would like the greater ing the metal held in the ware-

THE LONDON METAL Ex- is claimed that in this way trade safety of a clearing bouse bouse change is neither one thing nor hedging and use of the market system.

base metals and seven months would inevitably involve the for silver. Nor is it particularly payment of a margin to the significant as a physical market clearing bouse which most memisince the vast proportion of the ber companies, if not all, would trade in the metals quoted—be forced to pass on to the trade copper, tin, lead, zinc and silver—is done by direct supply contracts between producers and consumers (fabricators). Yet the LME daily quotations are the basis used for deciding the payment of a margin to the taken in the taken in time. This may mean raising the guarantees provided by that member companies to a much higher common, level of say with the instability of "paper with the instability of payment of a margin to the taking are yet to be worked out that tails are yet to be worked out the taking are yet to be worked out the taken is the properly. The intention is to have a system that gives prior warning of any potentially dangerous financial situation building up so that evasive investment bui higher, common, level of say with the instability of "paper f5m. which at present is only money seeking safety in rate provided by some new mcmbers and not by older member prices must eventually rise companiea wbosc guarantees were set at a much lower icvel. tion for any losses suffered by this extra inflow of funds coppe commitments. But these redealing member companies, who facilities available to a longer forms are as far as some members are as far as some members. While this may have been the principals contract to be vital to the success of the short term, it could have have the principals contract to be vital to the success of the serious repercussions for future. tract terms. It does not go occurring purposed three months through a central clearing Business beyond three months Exchange in contrast to a serious repercuesation through a central clearing house, which would supply prospects. put it on a par with other Triumphed futures markets, like the New York copper and silver market There have been numeros (known as Comex) whose influ- attempts to find methods ( among members. Nevertheless hedging transactions have at in the rest of the world stabilising the price of base is far less although it has a metals to a greater degree cor greater volume of turnover pared with the daily flucts:

> U.S. commodity markets. In recent years there is no countries relying on mel

speculative activity is beneficial output. Nevertheless they The lack of a central clearing to trade interests, particularly to move in line with the LM house is restricting in that in supplying the extra funds quotations to remaio contransactions have to be com-required to carry the big surplus petitive, especially when then The exclusion of a force pleted through one dealer, as stocks that bave built up is a surplus situation.

the rate of contango (discount price to cover the bulk of zir In recent years thera bas of the cash price compared with trading outside the U.S. But actions only, with purchases and been increasing concern that the forward three months quota- changes in exchange rates, and sales cancelling each other out the principals' contract may not tion) represents competitive a gross surplus of supplies, b before the date of delivery falls be sufficiently strong to with return compared with other in recently made this price so due, and only a very small persistand any financial disaster terest rates, even if the transt thing of a farce and it is centage of the actual commodity hitting one company and baving action is somewhat more vives, for the moment, virtue is traded through the market, a domino effect on the others complicated. It involves baying in nominal form. But on the Exchange the per- hecause of the buge sums the actual metal at the spot Tin values have been centage of physical transactions lovolved following the steep price, receiving in return the trolled to an extent by is very much greater, although rise in the price of metals negotiable warehouse warrants, International Tin Agreem still dwarfed by the "paper" and the greatly increased and selling an equivalent except above the "ceiling lutures business. The Exchange volume of business. Debate for amount forward at the higher level. But efforts to continuous

line with increasing costs production world wide as i

been at least £100 a tom

funds that pour into all the able uncertainty for producing especially in the developing commitment to supply must be (operated by the buillion But it can be claimed that fabricators and therefore to stances.

Chicago.

Chica

copper and lead prices ha always failed, partly because trollable scrap supplies at

### External pressures build up

hedgiog transaction to be fixed been devised. It is a negative dependent country.

fluctuations, and also enables the pattern of international raw materials in faraway places ternal policies being worked fabricators to use a special trade and in the way Covernand adapting the pattern of out domestically. The old free formula in-ments and producers see that their production to the move-enterprise system bas been corporated in the direct supply pattern which are inimical to ments of the market. They seek diluted with producers the continuation of the LME in internal economic and social. On the face of it this looks whereby the fabricator has a its present form, that is to say benefits which make them less like a clash between govern wider choice of when to price as a harometer of supply and responsive to market forces ments and the market, by his supplies received apart demand providing a reference than the 19th century mine even the independent minute from the actual date of delivery, on which minerals contracts, owner might have been.

without risking a serious loss.
Service to the trade by the ing on a relatively narrow hase.

LME members is taken even it provided a formula in which the play of market forces chuld clients do not have to put up the play of market forces could mines in the economic and industrial base in producing margin or deposit for forward the problems of distribution despute the financial fabric of Zamhia, this was countries outside the US transactions despute the financial fabric of Zamhia, this was countries outside the US transactions despute the financial fabric of Zamhia, this was countries outside the US transactions despute the financial fabric of Zamhia.

deposits nn future business. But since the end of the 19th Deposits are required from non-century both the mining industrade clients, or anyone who the try and the industries it feeda

from day to day that can be charging that the volatility of and a break in the chain which While it is true that the ironed out by borrowing or its price movements makes it a linked an industry in a major search bas so far had scall lending according to the day's questionable medium for the industrialised country like success, the fact that it is requirements.

Britain with a mice in what taking place serves untice that This daily trading enables a simply that nothing better has was probably an economically producers are not prepared

now, the governments are not throws up are insufficient

Thus, on any reckoning of the been relegated many decade supply-demand situation for ago to an economic museuoenpper in 1974-75 and the effect said Mr. J. Vuillequez, the the this had nn LME prices, it vice-chairman of the Americal would have been better for the group, Amax, in 1974. Zamhian mines to stop product in the longer term, tinn. Yet, given the rnle of the development of a clearly an impossible solution. Canada and Australia, would in

exports in the economic develop- pricing role of the Life. Chile and Peru has led their country of origin.

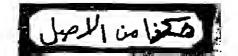
In the developing countries medium when the prices it

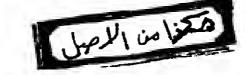
companies have reservations ahout the LME, at least when prices are inw. anachronistic and metbod of pricing should bay

Indeed the role of mineral any case tend to diminish the ment of the copper producing because a greater degree of pre countries like Zambia, Zaire, cessing could take place in the

collective organisation, CIPEC, As the Canadian consultant

CONTINUED ON NEXT PAGE





### The Financial Times Wednesday February 16 1977 LONDON METAL EXCHANGE V

# Forecasting price movements

ECASTING METAL price s abould, in theory, he derably easier than in the commodity markets, where edictable weather condican literally overnight

supply predictions by sing severe crop damage. In is production trends are well signposted with print ledge of mine output capaplanned many years abead regular reporting by the 13 companies on how they performed and are likely rform in arder to keep their holders or supporting finil institutions in the pic-There are, of course, mine ners, and more commonly es, but these can be written an historical working capawith some degree of

racy, except for some major our contracts expire every he form of scrap, bearing in the 1950e the 1950e the 1950e i available refining capacity. owever, it is on the demand

that metals forecasting Methods ars to go awry. Consump

Wirebars 3months

using the metals, which in "pure" chartist: "Don't cone years—as they do this volves forecasting on a much fuse me with the facts."

mer. But on the whole it is wider scale. Added in to complite too difficult to assess total cate the whole issue are the justim capacity in the Wese generally unpredictable shifts attraction for private lators, who lack the up in demand from behind the iron news of fundamental wance based on previous and bamboo curtains, often ds for strikes and other motivated more by political ntial production setbacks, reasons than real consumption needs, and the almost equally munist bloc countries and me likely to be recovered wise of metals built up in the

itles by the economic state Brook Hunt and Associates, have know" without having to spend the world and Individual built up their own forecasting time and effort in trying to tries. Although it can be methods to help make decisions keep up on fundamental devellated that over a period about whether or not to go opments. This, of course, applies and for a particular metal ahead with proposed production equally to a large section of the kely to grow by a certain expansion plans due to come trade, consumers in particular, entage each year, based on lifto fruition many years ahead who do not have the facilities orical trends, the annual after the expenditure of vast or desire to keep too closely in with can vary widely even if sums of money, supplied by touch with what is going on in cing to the predicted pattern often none too willing financial an area only concerning their a span of years. There are institutions. But these studies raw material costs. So importkinds of variables. Reaction cost money and are often none and has the influence of chartists be price of the metal in each too accurate for short-term become on the market price oe price of the metal in each too accurate for super-term become on the market price what the computer, working on a programmed pattern, says.

It is ignore them and indeed most bringing it is not much good for example. ats of substitutinn or a de is not much gnod, for example, of them watch the charts very a in usage of the metal; and, to be told that; the price of closely for indications of when ourse, the general economic copper will by 10 per cent there is likely to be a break up to fine world and individe higher in a year from now— or down signalled. Although and for the forecast to be interpretation of chart patterns and for end-products using months the prices dip sharply occurrence these days is for cermonding and interest rates before recovering as predicted this points to be generally respectively. ats or substitution of a de lo be told that, the price of clusely for indications of when

tly. Be that as it may, any trends. It is claimed that charts tent, causing price fluctuations followers. tal demand forecasting has to take into account all the market with oo rhyme nor reason—an based primarily on the likely factora, known or hidden, by apparently self-defeating exer-

Charts have a particular demand developments available indications. often before generally known to the trade or certain privi- charts is its timing indicator

of metals, although vilal The mining companies, and on the market, then the private hasis. Eurocharts are one of the materials, is more in-independent companies like speculator is close to being on materials, is more in Independent companies like speculator is close to being on need than, say, food com-Commidities Research Unit and equal terms with those "In the mercans and interest rates monus toe prices dip sharply occurrence these days is for certain points to be generally resumer stockholding. Some as the buyer could well have erts argue that in fact there ittle basic change in metals sumntime except in the composition of the compos

cise except for the market specialists able to take advantage of these movements or even trigger them off as a means of forcing the market in a particular direction.

.Charts for commodity futures markets are relatively uncomplicated encompassing a much wider range than the ones for individual stock exchange com-

### Coverage

But over the years they have shown increasing sophistication, not only in presentation but in interpretation and coverage. Not only price trends are shown nowadays, but also the highs and lnws of the day's trading; the volume of turnposition " open ' over: ribances such as when the economic state of the world and tracking price behaviour; bence (unmatched buyers or sellers); non-ferrous math workers the prospects for the industries the famous stalement by a and the trend line. There are Chart Analysis, for example, has an "indicator" showing whether

the market is either overhought attraction for private specu- or oversold which may he vitally lators, who lack the up-to-date important in decidiog whether news of fundamental supply- to go in or not despite price A recent innovation by Euro-

leged sectors involved. The based on scale from one to ten producer, for instance, will be that gives buy and sell signala aware of setbacks in his mine of fluctuating strength dependthat will affect supplies avail- ing bow far it is away from the median point of five. This is Assuming that the charts will an easy-to-follow forecasting faithfully reflect these hidden method, backed up by the range influences, because of activity of chartist information available forecasters using computers to assess the many variables and tbey bave recently linked up with Econintel, the economic forecasting group, to use the joint resources of their data banks on the economic outlook and commodity trends.

Computer forecasts are also being increasingly used for the so-called "managed funds," where the system is king and investment purely based on Selling or buying by "computer their disposal, is becoming an

erts argue that in fact mere decline period. to bring a hurst of activity markets—and copper in particusumption, except in the case So in recent years metal mar. from the legion of chartist followers. So much so that the new technology, but only ket traders have been increas lowers. So much so that the totally unpredictable fashion new reconnology, but only ket traders have been increased by the use of charts themselves influence the leaving the pundits with red in consumer stocks to ingry inducated by the use of that the behaviour to a large ex-



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TESSUTES CONTINUED FROM PREVIOUS PAGE

e inputs into the comomy, fabricators, the Western demoreby stimulating forward cracics and Comecon, the rich
regration into the fabricating and the poor.

This sort of limitation has recouns into the fabricating and the poor.

These considerations are vital not prevanted intercational discussions are vital not prevanted intercational discussions.

nain ceotral to the activity of While it is doubtful that its shortage both of cash and the interplay of the different industry. The distinction be-producers and consumers could en the two has become pro-

en the two has become proever match each other's needs
ssively more blurred. Partly
with exact precision, it is none
s is a result of a natural
the less the case that their joint
erdependence, bul finance is efforts can and do counteract
The point is that pressures
efforts can and do counteract
to are building up strongly to

equity stake in the venture national Tin Council's buffer a similar move for copper At the same time it is stock and the negotiation of a would be effective. at the same time it is stock and the negotiation of a would be enecuve.

In the first place the existence chairman, Mr. Fred Wolff said, into outside the U.S. and trading of the buffer stock of a strong scrap market—

uth Africa to seek participa—manager has managed, at least indeed, some 40 per cent of the manager has managed, at least indeed, some 40 per cent of the cise do not offer an alternative until the buffer stock ran out copper produced comes from a cited to the complete and the compl

cates a concentration of in ins book on the working. In the second place are wringing their hands instead of wer through coalescence of of the tin-commodity agree- copper producers, embracing a using the very instrument that wer through coalescence of the life that the life bas never put costs, have found it hard to the local make the life bas never put costs, have found it hard to the local make the Exchange Concentrations of a different enough pressure on the LME agree on what any collective an Concentrations of a different enough pressure its affairs in such a price should be. In this con-phion have already attracted to arrange its affairs in such a price should be. In this con-machine." e attention of the vice-chair- way as in minimise the impact nection there was an attempt an of the LME Committee, Mr. on prices of "massive specu- in 1955-56 by the African pro-

the IMF-World Bank publica- voiced during a recent speech "While no action is taken the Selection Trust and Union In Finance and Development, in New York was the polarisa- ability of the International Tin Minière, to "announce" prices long-term objective is that tion of the metals world into Council to stabilise prices at which they would sell. But minerals sector should pro- large groupings: producers and through the Metal Exchange they were forced to revert to import the stability of the s

regration into the fabricating and the ponr.

not prevanted intercational discussions from evolving the users of the LME were cussions from evolving the users of the LME were cussions from evolving the can only be established by the market, they can only be established by coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion. Under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion. Under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion. Under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion, under the anspices of coalescing into larger groups to notion. deanwhile the tightening re- which might otherwise either needed, where to find that in World War II, but even then onship between producers go all one way, or die of sheer finance and the necessary co-I consumers is likely to have paralysis if producers and operation of the consumers.

The levels in 1939.

The levels in 1939 to have paralysis if producers and operation of the consumers.

What seems likely to have paralysis if producers and operation of the weaknesses.

What seems likely to have paralysis if producers and operation of the weaknesses. ing whether the LME will other evenly." Mr. Foster said, of the tin buffer stock has been over the coming years is that

the market mechanism to are building up strongly 'o The cost of developing new mutual benefit. At this stage influence the pricing function ness atmosphere, currency ness has escalated to such an the LME is affected only by the of the LME. The pressures changes and ao on, there seems ent that producers have been International Tin Agreement, have never been sufficiently coved to seek forms of finance but international moves are ordinated to endanger the ; outside the funds for invest- afoot through the United existence of the LME. While it toutside the funds for invest- atout through the Office called the existence of a that it is neutral, because it is not they can generate them. Nations Conference on Trade is true that the existence of a that it is neutral, because it is nt they can generate them. Nations Conference on trade is true that the first that it is neutral, because it is ves. One response to this and Development in make European producer price for both independent and interuation has been to sign long- copper market movements more zinc bas reduced the role of

thes or royalty and tax payrecently, to act as a steadying scrap—makes it difficult to "A more thes or royalty and tax pay- recently, to act as a steadying calculate a producer price is only as effective as the use mer's link with the producer, manager bave not been decisive, least under present conditions the trade stand sold as the working. mer's link with the producer, manager pave not been declare. The second place the wringing their hands instead of rates a concentration of in his book on the working. In the second place the wringing their hands instead of

drew J. Freyman, once wrote I. E. J. Foster. His concern, lative dealings." He argues: ducers, the then Rhodesian

What seems likely to happen

remains linked, even in marginal quantities, to the physical distribution of metal and its prices reflect the general busino reason why its present pricing role should not continue. The LME's great strength is national. Speaking in its defence stomers, who also might take The existence of the Internothing to suggest that taking it had been under control to the venture could stake in the venture could be suggested as the control of the lines.

Paul Cheeseright

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# An established place in the City

since the early decades of this Bank of England.

The LME and the City in fact policy.

The sessence of the relationties and the financial markets ahlp is the priociple of selfare interdependent. The finan- regulation, and in this respect
self-

ports under the general title of tion. There won' I be an angry dealings. These retrospective into which they were entering Committee. In the meaning

In 1975 the Merchanting total was £124m., and the Committee's chairman Sir Francis Sandilands said last December that 1976 earnings should be well in excess of £100m." At

ALTHOUGH THERE have been mittee. But its most important which led to the collapse of the be dangerous positions were because of the difficulty considerable changes in the stogle relationship in the City Paris sugar marekt. building up; when, for example, disentangling the reas international pattern of trade is its working link with the The main sanction the Bank an LME member might be hold-behind .each

the LME has still the Back showed little interest, the Bank's only statutory right self-regulation of the LME, bnw. On May 13, 1976, tha LM managed to forge a distinct It was only to the post-war years over the LME, but it is a right ever, and an instance of the Committee told its members identity and to occupy a pivotal as normal trading gradually which goes to the root of metals delicate relationship between that they should not accept man place in world metals trading, resumed that the link was trading.

the LME and the Bank, was that trade business in zinc unit One of the main reasons for this made, essentially to the early has been its place within the stages because of the immediate demands of national ecocomic

certain types of City investment is keen that the LME should be no trading without the free taken. It is generally left to the markets.

The result has been that the ful of the benefits that accrue in the world.

LME makes a considerable but invisible earnings.

The Bank is, however, coninate to find its num invisible earnings of the City, cerned that the LME should be a monthly account of their Bank asked the LME Committee to find its num fundamental change in the invisible earnings are absorbed by well-run and that its financial foreign exchange positions in to request members to be very findings of the inquiry into the committee of invisible Exvisibility should be above questions.

The certain types of City investment is keen that the LME should be no trading without the free suggest that action should be LME, or, indeed, on other data that its is generally left to the markets.

LME Committee to find its num in the world.

In return the LME members solutions.

In return the LME members solutions.

In return the LME members solutions.

In the morthly account of their Bank asked the LME Committee in the markets.

In the world.

In return the LME members solutions.

It now seems likely that and the interpretation in the markets.

It now seems likely that and the world.

In the world.

In return the LME members solutions.

In the world in the world

neeo established in places as far perspective this link is recent, exemptions from exchange con-requirements of clients. distant as Penang and New Before the Second World War trol regulations. This is, indeed, The Important point for the year.

### Freedom

their success, and it is in this vision of the City financial and respect that their linkages with trading markets.

The LME is jealous of its independence. feeling that it meeds freedom to reflect the Dark for its adam business to the City financial markets and the LME financial markets and the LME for certain types of City investment. They have fed off each other.

The LME is jealous of its intime there is no restriction remarkets in parkets. The concessions were first LME each Tuesday and informal fact, a Bank official visits the lative activity on the market fact, a Bank official visits the lative activity on the fact, a Bank official visits the la

has over the members of the lng atocks abroad which were Nevertheless the system up century, and other markets bave Considered over a long LME is its power to withdraw clearly in excess of the normal built up gradually in 1975 and

> the LME Committee provided further notice. The returns the the Bank with the names of the Bank had been receiving companies to whom the ex-March and April indicated th

cial resources available to the the Bank is simply following, terminal markets are obviously and the LME is accepting, the of considerable importance to code that governs official supertheir success, and it is in this vision of the City financial and respect that their linkages with trading markets.

where in the world and to pay Understanding, which also promite the market for them through an external vided for the Bank and the LME. There was a fear at the time account in either sterling or a Committee to meet formally that this chain of events might foreign currency. At the same four times a year to discuss herald an attempt by the Bank respect that their linkages with trading markets.

Merchanting, which in 1974 pro- official frown if there should be, checks by the Bank nevertheless because of the practice of using the Bank is doing its best vided 15 per cent, of the City's for example, a repetition in gave the authorities the opport exchange rate differentials to nudge the LME into making London of the sort of dealings tunity to see when what might buy tin in London and Singapore and re-sell it in New

York to register currency gains, financial standing which in commodity prices generally the existence of a fund to m excited a deal of unfavourable omment about the role of the has been anxions to extend its clearing house system along t upervisory role.

In response to the price boom the Memorandum of Under- to accept the essentially co standing was widened so that the Bank could receive a

number of internal changes.

Despite the guarantees Since 1973-74, when the surge members have to provide a any market failures, the Bank markets, and especially some of ing trading system based 683 435 the speculative activities, there contracts between principals is some evidence that the Bank inadequate. It would profer to inadequate. It would prefer. lloes adopted by the soft con modity traders, but is prepare promise proposal of a monitor ing system to survey the building and nowinding of dealer positions.

### Mining present the Committee and the Bank of England are conducting a survey which will lead to greater precision in the statistics and specify more exactly the contribution of the The LME is, of course, part of the Federation of Commodity

Associations and it is through the Federation that it is represented on the City's Ilaison that remains to be seen is when body, the Capital Markets Computer that are now at work could, if they remain unchecked, lead to a kind of least needed to justify the start alchemist's nightmare in soaring of development of a big low-

also have a fearful social impact some 5.7 per cent, copper, on a world in which metal is Rising capital needs are such almost as vital as food to the that the Rio Tinto-Zinc group's survival of large populations. Bougainville copper-gold mine We must move quickly towards in Papua, New Guinea, which the development of the new era reached production in 1972 at a of mines which will supplement cost of \$430m., would require and eventually replace those some \$1.2bn, if it were launched

new mining development galag needed for financing a major

unduly depleted. Just as vast years' duration. areas have yet to be turned over to food production, so the Worries mineral exploration teams have

most of the more obvious min metal prices in the 1980s will ing "plums" of rich ore offer a fair return on capital indeposits in the more accessible vested now. What really worries parts of the world. Nowadays prospectors need to probe more governments throughout the and more into the remoter areas world to foother the fact toat and this costs a great daal of proportionately high reward. money, especially when it is proportinoately high reward. remembered that only one out costs had soared to their pre-of some 200 exploration pros-pects is likely to result in a was achieved by means of a viable mioing proposition.

try is having to accept low ance houses, such as the grant grade ore deposits which must Anglo American Corporation. they are to be payable. Costly capital and subsequently sold off infrastructure also needs to be a proportion of shares in a new set up in the new miniog areas project via a public issue nnce and on top of all the traditional the venture had reached the inproblems, the miniog industry dicated viability stage. of the environmental lobby.

exchange rates, which can be a npening up of Western Ausburden as well as a boons for tralia's vast iron ore fields international companies, especi- Forward payment sales conally when they have large loan tracts were entered into with commitments. Then there is the customers and, inevitably, inlertendency governments to milk mine earn- play their part ings in good years and quietly overlook the producers' problem

Australia's copper-producing man of Charter Consolidated MIM Holdings, for example, "there are relatively few areas recently pointed out that the of the world where [mining] cost of moving copper from its investment confidence is felt." Queensland mine by rail over Governments break the rules. snote 500 miles to the Triwos- Too often it is a case of "you ville refinery had risen to the find, we grab." point where it was more than Nationalisating without adethe cost of shipping the metal quate compensation: reneging from Townsville to Europe. The no agreements: allowing the Queensland mineral royalty, mining men and their backers bowever, allows no compensa- to take the initial risks and then

base-metal prices by the end of grade copper mine, In fact, the he century. suspended Tanke-Fungurume Restricted metal supplies venture in Zaire would want to available only to the highest see a higher price than this bidder would not only wreak despite the fact that the deposit havoc with world economies but is of high grade ore containing

to-day. And it must be remem-But there is virtually no major bered that the huge suma new operatinn-often depen-

barely started in unlock the The mining industry is pre-world's hidden mineral wealth, pared to live with these difficul-They have, bowever, found ties, and indeed it reckons that world to igonre the fact that a

viable mioing proposition. promoting company issuing Furthermore, the nature of shares. Then came the South things is that the mioing indus- African system of mining fig. be worked on a big scale if which provided the initial risk

has also to overcome objections. As the cost of new mines erew larger financing them re-Another relatively new hazard quired consortia of mining to be faced is that of fluctuating houses as in the case of the among national bankers were invited to

> Then the politiciana move into the act, ushering in the present era when, in the words of Mr. Sidney Spiro, ex-chair-

CONTINUED ON NEXT PAGE

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### LONDON METAL EXCHANGE VII

# The ins and outs of option trading

GROWTH of interest in If this is true it is clearly a case lignoring commissions and his holding will be eliminated able for another four months tal markets over the past of the awareness of ignorance other costs), but the second and be will simply be £80 a He is now in the happy position ears has brought with it breeding deceit.

always been the main. The buyer of an option is way.

d the companies had used market price).

eit. Fear of the unknown do oot limit) profit potential. unguarded purchase in this

of to the wider use of effectively paying for the odity options. But recently chance to profit from an invest-epulation of this useful, ment which (if his market view

nies, who bad been sell- right to huy at £800 a toooe at quent rise.

sussion that it is virtually a way holder will merely allow his giving him a profit) before the purchase and still count on a still the mere mention of of printing money. In fact both option to run out undeclared "last declaration date" on his gross profit of £120 after s to many otherwise know- propositions are more or less and show an £80 a tonne loss option passes.

Writing off the cost of the

t month a long U.S. Com- He could buy copper for deli- is the possibility that a short. In trade against his option withy. Futures Trading Com-very in six months time, or he term price decline could knock out actually declaring it.

option market naturally carries in (CFTC) inquiry into could buy a six months: "call" the speculator out of the 1f the previously mentioned its own vocabulary of technical allegations culminated in option (at a premium of about market, preventing him from speculator buys a six month call jargon. Several of these have arging of three American £80 a tonne) giving him the benefiting from any subse-option in copper at £800 and already been mentioned, such

with fraud. The CFTC months (whatever the ruling purchase is to be equated with ing that he foresees no further modity in question at an agreed the companies had used market rrice). that from the option transaction rise) sell copper four months price during the prescribed ressure sales tactics and If the price rises to £850 a the buyer will have to impose forward at £1,000 a tonne. period; "striking price," the customers about the tonne during the period the a selling order at £720 a tonne There is no need to declare his agreed price, usually the ruling and potential profits of in- first course will reap the specu- in the present example. If the option yet as the £800 a tonne price for the relevant delivery

course would leave him with a tonne poorer (and probably not of having a guaranteed \$120 : later awareness of the So there appear to be two loss of £30 a toone. If the price very much wiser). But the tonne gross profit. But if his y of operational strate- distinct schools of thought rises to £1,000 a tonne the option holder, though facing the second view of the market also pen to the trader. And, among those ignorant of the straight purchase will bring a prospect of the same £80 a proves correct and the price st of the new operators true nature of the option gross profit of £200 a tonce and tonne loss, will still be in the declines substantially further speculators rather than market. Some regard it as a the option purchase one of £120 market. He can sit back and profit-making opportunities can cers or users of metal, the dangerous aberration and would a tonne. If the price falls both hope that the price climbs arise. Once the price bas tions of metal nptions not touch it with a barge-pole, strategies will obviously show a back above £800 a tonne (re-fallen below £800 he can sell

granter of his option.

eputation of this useful, ment which (if his market view proves wrong) he oeed never (Caution demands that an option trading is the possibility innocent, investing innocent, investing proves wrong) he oeed never (Caution demands that an option trading is the possibility of jobbing against the option. This play can give the set and a "stop-loss order" option. This play can give the speculator two (or more) hites because the could buy copper wirebars are undervalued at £800 a tonne. The big drawback to this plan of the cherry by allowing nim to the option, but most speculators would be quite happy to make a profit on the original deal and would regard further speculator two (or more) hites because the could buy copper wirebars are introde against his option. The big drawback to this plan of the cherry by allowing nim and the could buy copper for deli-

ad been sell- right to huy at £800 a tooce at quent rise. within two munths the price has as: "call option" which allows community any time during the next six If the risk from the straight risen to £1,000 he will (assum- the holder to buy the com-

writing on the cost of the cos begin to make a profit uotil the opportunities to make money.

price rises by more than the There is no reason why this premium level be paid to the pattern should not be repeated a several times during the life of the option, but most specu-

ent in commodity options, lator a profit of £50 a tonne market falls below this level buying price will still be avail- position at the time the option was granted: "granter," the writer or seller of the option who undertakes to supply or accept the commodity question at the striking price within the agreed period; and "iast declaration date,"

last date no which the holder of the option can call on the grantor to execute the terms of the transaction. In addition "put" option allows the holder to sell to the grantor at the striking price within the specified period; and the "double option" allows the bolder to buy or sell thut out both) oo the same terms.

Richard Mooney



Percival Norton Johnson FR.S. F.C.S. F.G.S. 1792-1866

### Our foundation was precious not base

N 1817, when Percival Norton Johnson founded the Johnson Matthey Group, he aimed to build a firm that specialised in the assaying, refining and fabrication of gold, silver and the platinum group metals. Achieving his objective left less time for base metals and our Group's involvement in such metals remained secondary to its mainstream interests.

While market dealing in gold, silver and platinum was developed, and is now a primary and world-wide activity of our bullion-banking parent, Johnson Matthey Bankers Limited, certainly our Group did not decide to join the London Metal Exchange when it was formed in 1877.

But now we have! Today our metals-trading services cover copper, lead, zinc, tin and silver. And we are proud to be Members of the LME in its Centenary Year.

### **Johnson Matthey Commodities Limited**

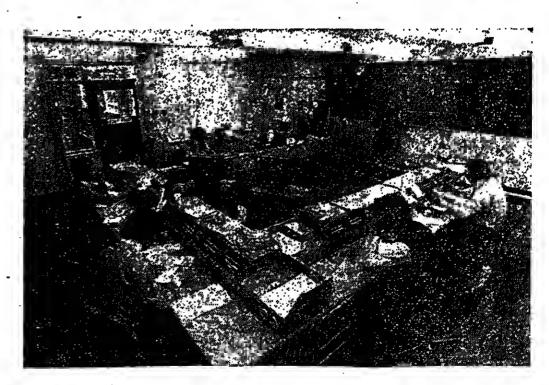
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### lining

TNUED FROM ICUS PAGE

nding a higher share of rewards; these are the sighted actions which led to the present slowing. w mice development.

ning companies, far less bankers, are just oot going ovide to-day's kind of big y without some guarantee ecurity for it and a fair tn. The point was firmly rimed by the recent half Zaire's p.-plus Tenke-Fungurume er project, largely because aising of further funds had precluded by political

idea of the money needed uvide the metal of the : has come from the recent ssion of 14 leading minnd metal concerns to the



. An aeriafview of the open copper mine at Panguna, Bougainville Island, Papua New Guinea.

ean Economic Commis mining stalemate is that those they often have potentially large work for an operating deal xi 20 years an investment result are the less developed maining untapped.

They estimate that over who stand in suffer most as a resources of it which are re-whereby any host government

58bn. (£34bn.) will be countries whose admittedly un- What is the solution to the to a mining venture could be d to maintain European derstandable nationalistic ambi-problem? The EEC submission submitted to pressure from the mption alone of alumi-tions could amount to cutting suggested a co-operation agree- EEC, an important market for copper, nickel, lead, zinc off the nose to spite the face, ment between the Common Mar-minerals. It was also suggested to the countries need reasonably ket and the developing countries, that the EEC could make availirony of the present new priced metal in the world and This could provide the frame able financial contributions to

mining projects or provide guarantees for them. Another possibility was the setting up of an insurance scheme with the use of contributions from the mine financiers in proportion to the size of their investments. Such

a scheme is operated by the U.S. Overseas Private Investment Corporation. However, its weakness is that insurance benefits can only be claimed if the situation

deteriorates to the point that hackers of a mining venture have to surrender their investment and take the insurance compensation; there is oo indemnity against limited erosion of benefits under an operating agreement.

Last year the then U.S. Secretary of State, Dr. Henry Kissinger, proposed to the UNCTAD meeting in Nairobi that the U.S. should establish an International Resources Bank which would participate with foreign investors and host governments in natural resource development agreements. It could be associated with the World Bank, mobilise capital for sound ventures and help to insure supplies of raw materials while aiming to moderate commodity price fluctuations.

As the Committee of the British-North American Research Association has put it in a recent report, "Some agreed basis, accepted by both producers and consumers, for attracting capital, ensuring markets and apportioning benefits. must be found if producer couotries are to reap the becefits of effective developmeet of their mineral resources for the years ahead."

it may be added that the required oew deal for the mining industry, backed by some form of international muscle, cannot be delayed much longer. If it is, the world will face a very painful hiatus during the years when metal demand has outstripped existing output capacity and the new supermines are still working through their long lead times to production.

Kenneth Marston

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# Commodity trusts grow in number

COMMODITY trusts have mushroomed in the past two years. In June, 1975, there was only one small fund. Now there are more than ten, worth together size funn ann sponsor

The investors in the trusts do not come from the world commodities. They are refugees from disasters property, the stock market and £13.0m. Save and Prosper the national currency. refugees they have made a £109m. Wardgate, Various cautious start in their new them many of the attitudes establishment in commodities, customs.

physical metal, putting the war £58.1m. Totals rant in the bank and forgetting about it; not granting options against it or selling forward but just letting the metal lie.

After the frightening experience in the stock in 1974 they expecting from lo do better than the market, why insurance companies have grant, double options. Its funds have done better than the Consequently they have hought taken less interest than pension creators studied the history of more passive ones and Save units in trusts which are confunds or investment trusts. The various commodities and and Prosper, which has done houses which promise not to do income to pay for liabilities as ment in long-term options would trusts, is possibly the most anything too speculative.

The three biggest funds all fall into this category, although there are important differences among them. Warburg's Metals currently valued at £23m., is by far the most substantial. It is open only to peosion funds, which normally commit only one or two per cent of their funds into this novel investment medium.

nationalised industry. But none changed nn a daily basis, type of funds and has been the ciate the prestige and publicity to the markets and could be of them has invested more than Futures and options are the best performer of all. 5 per cent, of its portfulio in usual fare. this way. The major disadvantage, as far as they are cnncerned, is the lack of regular income which they are used to

TOP TEN COMMODITY TRUSTS Mid February

supper Est. silver

(tons) stocks (eunce Brandels 33% 2,250,000 13,000 £23m. Metals Trust, S. G. Warburg Goldschmidt Merrill Lynch 30/1/76 £13.9m. Old Const Commodity, R. Wolff and 31/12/75 4,000 400,000 47% Gill and Duffus 8/12/76 Commodity Analysis country and have bought with £1.3m. Surinvest Copper Trust G. W. Joynson 17/12/75 1,575 which prevailed in the old. \$1.0m. The Silver Trust, Surinvest G. W. Joynson 6/5/76 370,000 Meanwhile, their hosts, the £0.9m. Commodities and Options Commedity 22/12/75 Analysis regard them with curiosity, hemused by their alien E0.6m. Atlantic Raw Materials and 4/4/75 Commodity Foremost among these cusloms is that of buying the £0.2m. First Viking Double Option M. L. Doxford 20/1/72 M. L. Doxford 26/11/76 19,504 3.238.000 618,000 26,970,000 LIE stocks Commodity trust stocks/LME stocks

are seared of speculation and sbares and property invest first is a curlosity—a fund nate and all of them are show-traded metals, the trusts have little faith in any manager ments. It is also the reason which exists solely in order to ing a profit. The "dealing" trolled by prestigious City actuaries rely on a flow of decided that systematic invest- best among the conservative they fall due.

### Convenient

created for the benefit of the performs. institutions. Two of them, first

The second, Wardgate Combrokers appears in the accominvestment in commodities.

Options, bave been used primarily as a convenient vehicle for investment by smaller ket methods by investors with clients of broking firms. These a stock market background. The probably wish that deals were a stock market background. The probably wish that deals were other exchanges should we. Eighty pension funds have are run much more on the lines brokers

the two Surinvest funds which will adopt a much more active provide a convincing testimonial adequate buffer or none a invest purely in stocks of investment policy than the to'a broker's ability, thus help-copper and silver respectively, existing institutional funds. The ing him to attract more clients. who cannot afford to buy a which presumably feel less nersingle lot, to obtain an lodlrect vous when insurance companies stake in the metal of his choice, and pension funds about wheel Some larger investors also go ing and dealing. through the funds in order to As a whole, the commodity

Recently, two more funds launches (mostly at the end of

commodities and and Prosper, which has done LME stocks. bave been successful in the active of them.

are invested in the trust, including to which commodity brokers are Analysis, which already runs the the dealing funds wish that those of several international accustomed. Physical stocks are Commodities and Options fund. The brokers may also appreciately and the occasional rarely held and the positions are This is one of the "dealer". The brokers may also appreciately approximately approximatel companies and the occasional rarely held and the positions are This is one of the "dealer"

At the opposite extreme are for institutions but, like C & O, a high performing fund can governments provide an They enable the small investor, sponsors are investment trusts.

avoid the bother of insurance trusts have got off to a good start. The timing of the

gilt-edged, have come to the market. The 1975 and early 1976) was fortu-

past. The trouble with a system And while the funds bave is that circumstances can been doing well out of the change and make it ineffective, commodity exchanges, the com-Nevertheless, it will be fasci- modity exchanges have probably But nnt all the funds were nating to see how the fund also been doing well out of the funds. A diverse collection of

est performer of all.

that can be derived from advis. provide a buffer stock in the Wardgate fund is geared lng a commodity trust. Certainly metals where. councils

investment on the mar themselves has so far been Producers, consu cash and parriers and speci tors still hold the stage. By is worth remembering commodity trusts have been going for one and al years. If they can rise to value of £58m. in such a sh time, is it not possible that say, ten years' time they ca

be a significant force? The turnover of the trusts also minimal but that is &: sult of the predominantly sive investment attitudes. buying, when it does come, i quality." That is to-s good it is generally not on mix the stock will usually for several months In terms of stock, trusts seem to have about per cent. of the copper in LME. This is probably accurate reflection of the rent small significance of

trusts in the market general But among the less wid able to have some influence. the case of silver, the tru hold a full 13 per ccot of

Over the past few mont most funds have suffered to disinvestment. The institute bave preferred to put it money into the gilt marketer the strength of sterling h eliminated one of the printip

Commodity more frequent, while brokers other exchanges should come the development. If does continue, the new mon could provide useful liqu

James Bartholom

### Special breed of investor

THE LME is a place to be required. achieve those gains it is to make small have invest-necessary to have steady nerves ments. There are minimum lotin the face of volatile prices, a for trading of 25 tennes for clinical optimism, a healthy copper, lead and zinc. of 5

To seek a quick fortune when the LME as an investment vision will run into severa medium to prepare for retire- thousands of pounds. One con ment, to consider it as a baven tract of lead covering one lot for a life-time's savings, is to with the cash price at £350 a

particular mysteries about the per cent. of the total. basic forms of LME trading, but commodily markels generally are accepted as being options riskier than the Slock Exchange. And there are important distinctions between the two.

cither way. But the metals of control over the investment trader will not have regular is accepted. dividends. Rather does he take If, for example, an investor operators work on deposits with funds of, say, £20,000. initially, thus ensuring a much When tha sum available

involved. The Stock Exchange ers themselves, giving an investor may huy a share and account to the client when a hold on to it for as long as he transaction is made on his be desires, but on the LME con-half. In this case it is likely tracts last for a maximum of that the initial stake will be three months (with the except he total liability of the investor. tioo of silver, where seven At sums of £10,000 and above months is the case) so that they investors should be able to find must he balanced out with an brokers who will accept acopposite position before that counts, which would be run by time, unless delivery or owner-liaison hetween the brokers and

avoided by the investor who Generally, the scale of opera seeks solace through the steady tions on the LME wall be finanflow of interest payments from cially larger than on the Stock National Savings Certificates. Exchange, It is not possible to Investment on the LME is all buy £50 worth of copper, for exabout capital gains, but to ample, whereas it is possible

bank balance and a trusty tonnes for tin and of 10.000 ounces for silver. It is quite likely in this case resources are slender, to use that the minimum linancial pro

court disaster. Rewards there tonne, entails a liability of are, but not for the uninitiated £8,750 and the immediate proand not for the faint-hearted. vision of a deposit which Certainly there are no likely to be in the region of 10

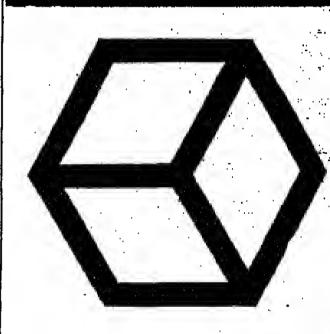
Immediate outgoings may be less if an investor is dealing in Shareholders tend to benefit options (which are covered in a if market prices muve up and separate article) and it is still lose if they go down. Money possible to lovest in LME metals may be made on the LME with a small outgoing, if los-

a view of which way prices will approached a broker and said move and goes long nr short that he had £5180 to invest he accordingly. On the Stock would be directed, in all proba-Exchange investors have to pay helity, to an off-shore trust run the full price for the shares from the Isle of Man or Jersey they buy within a specific If he had £1,000 a broker might account period. On the LME put his money into a syndicate

reaches £5,000 some brokers There are important differ will start individual accounts. nces too on the time scales which are operated by the brok-

ship of the physical material is the investor himself.

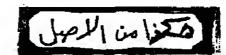
CONTINUED ON NEXT PAGE



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### LONDON METAL EXCHANGE IX

# Little space for the minor metals

THE Lopdon Metal in New York—while it was lying supply-demand situation to try to stop the price slide by countries, dependent on move chaoge price movements found impossible to work out more closely and clearly. cutting out uneconomic product ments in the free market chaoge price movements round impossing to work our more closely and clearly.

ding to catch the beadlines, viable common quality standards

is often not realised that for the proposed markets in and mercury there is no official great expense.

in the past, While the bid for producer price, in view of the Attempts to form a tungsten a consumer-producer stablisation of supply sources price agreement between prot ton alrangement does not that are reflected in the free ducers and consumers under appear likely to be successful market with values being market fluctuations.

In the case of wolfram tion or stockpiling surpluses at which bas proved very volatile and mercury there is no official great expense.

in the past mercury producer stabling out uneconomic produce ments in the free market tion or stockpiling surpluses at which bas proved very volatile and mercury there is no official great expense.

in the past mercury there is no official great expense.

in the past mercury producer price agreement between prot ton alrangement does not that are reflected in the free ducers and consumers under appear likely to be successful the auspices of the U.N. Con-there have been more successful the past mercury producer price and consumers of the Tungstee Pro-

ig or smelting of the base the supply-demand situation. ietals, copper, lead and zinc.

ollar quotations for inter- shows changes in the under- cers have been forced instead ducers, including developing to pay higher prices at a time ational trading, with wolfram witching over only in Decemer following the Bank of ingland's clampdown on sterng financing.

Nevertheless the Minor Metal raders Association was able to ain some valuable concessions Investor rom the Bank of England to n valuable invisible foreign of the broker of very great int- the U.S. which seeks to protect probably works out at about one portance. But, here again, there the investor from the wayward quarter of one per cont. nable traders to continue oper-

ninor nicials to provide hedge Exchange.

In facilities for consumers A list of brokers who are ingainst the sometimes violent members and associate members and the prosence of the ME can be obtained financial strength before opening a account with a new long and associate members and the prosence of its financial strength before opening associate on the round-financial strength before opening associate on the round-financial strength before opening associate of the ME can associate members and evidence of one per cent. On the round-financial strength before opening associate on the round-financial strength before opening associate of the ME can associate members and evidence of the section of the sort of the section of the sort of the section of the sort of the sort of the sort of the sort of the documents decoting owner.

The level of these charges arises the question of the sort of return investors in metals should be seeking. Clearly this should be seeking. Clearly this should be seeking. aluminium producers.

peet of aluminium producers run by the broker.

present a valuable slice of decided purely on deals between

and the metals and arrow quoten by the major work and producers and greater menaviour of the major with remarkable stability.

In pollution fears and greater menaviour of the metals ducers is used in direct supply use of substitutes, have led to past.

With remarkable stability, with remarkable stability, embers of the Metal Exchange usually covers the bulk of busican get on the free market, of tungsten ore are both in the metals has not been so good for the free market.

who of the metals trading world, re an important influence in iding London's role in minor netal trading too. So has been the availability of station by the sources of the sources of the countries, consumers with surpluses to sources of the sources of the sources of the countries, consumers with surpluses to sources of the sources of he availability of slerling pluses to spare, secondary supnance for merchanting deals of pliers and often Western world of this kind not enough allow went to Russia, and Russian minor metals often provides a ris kind, allhough the recent producers either seeking extra ance was made for changes in purchases that were previously believe the general state

ungsten ore), antimony. Most of the other minor smnth, cadmium, chromium, metals have a two tier pricing arcury, selenium and a host system — one official price other metals and alloys quoted by the major world protect of the steep decline in producers to achieve price has taken the tungsten ore demand in recent years owing stability, despite the volatile market to historically high to pollution fears and greater hehaviour of the market in the levels during the past 18 months with remarkable stability.

roducts produced in the min- tion and more usually to reflect metal whose resources would be the Chinese have significantly down sharply from the high Obviously these links, and the the free market price, mainly gloomy forecasts of fulure levels. The rift between china behaviour has little direct effect ondon Metal Exchange as the comprises supplies from all of Rome.

ank of England curbs on the sales or not abiding by the consumption patterns and the made direct from the Chinese of economic activity, and on that se of sterling loans for deals producer price for some reason use of substitute materials or But in the past few years it basis the recent general etween two third countries or another.

etween two third countries or another.

processes. Attempts by mercury is believed some kind of barter hardening in prices must be egotiated through Britain may

In the cases of metals like producers to form a cartel deal—nickel for tungsten ore—encouraging for the producers, rentually lead to at least some aluminium, nickel and others arrangement with a minimum may have been concluded. In Britain, the general switch the trade going away from with a few dominant producers, price helow which no sales between the two countries and to dollar quotations for minor the producer price system can would be made have come to in any event Chinese exports metals and the change-nver Already sterling quotations work well, although it is nor mought in the general surplus have been diminishing in from Commonwealth to EEC or the minor metals have mally the free market situation, aggravated by the volume considerably. Import tariffs has caused some radually heen replaced by covering residual supplies that economic recession, and produtions still leaves many pro- headaches to consumers forced

In the past mercury produ- ference on Trade and Develop- meetings of the Tungsteo Pro-Apart from aluminium and merchants on the free mar. ckel, there are the less widely ket in London and other own metals, like wolfram centres.

Most of the other minor and Spain, as well as the huge part of the economic recession to be taken at present in view that the traditional suppliers in the part of the economic recession to be taken at present in view that the traditional suppliers in the bare lessed to the control of the other minor. consumers and producers and cers did have an official ex-ware- ment also appear doomed to ducers Association, at which

e same time. Several of the as it is known is adjusted on inor metals like bismuth, occasions in accordance with idmium and selenium are by changes in the cost of products products produced in the min-tion and more usually to reflect the first to be exhausted on a reduced their exports restricting levels reached during the 1974 .. to trade directly at one stage, involved are by products of brought the Western world other metals possibly affected free market into greater by different supply-demand As with so many predictions Chinese sales that previously Nevertbeless, demand for

when their rivals in other

countries might well be paying

less. For merchants, the forma-

tion of the Minor Metals Traders

Association a few years back,

and the introduction of its own

standard contract terms and

recently special agreement with

the Bank of England, suggests that the ties with the Metal

International traders in non-ferrous metals



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### CONTINUED FROM PREVIOUS PAGE

from the U.K. Government and the potential client and the ship of tonnages of metal—will is an individual choice, but it a more co-operative atilitude broker, is an estimate of the he handed over on request, seems likely that if he is not from the highly integrated brokers' trading performance, a Others again will keep the making between eight and ten significant point to bear in mind warrants in their care. Bot there seems little pros. If an investor's account is to be The brokers make their profit margins very fine.

kel since it is feared it would avoid making any commitment absence of any set margin of have an unstabilising effect on to a small convero run from a deposit makes for a variety of necessary to decide on the jotal he producer price system and telephone in the hedroom which practices regarding the paid-up size of any commitment and it is oring few benefits. Nickel pro- is taking an investor's money stakes of clients, so the com- generally accepted that comducers are equally opposed to and trading it through an estab- mission rates vary from house modify investment should not the idea of a futures market—lished broker. There is not, in to house, and from client to exceed more than five or ten not has been tried and failed this country, any body like the client.

is a distinction between the practices of the bucket-shop roundturn. That is to say, one

money from clients by combacking the proposed new mar. It is on the whole best to mission fees. Just as the other investment, trading in

eighth of one per cent. on buy-It was hoped, and in some brokers to occals and the stock operator.

Inarters is still hoped, that the broker. The metals broker will the relationship between ing a contract and the same condon Metal Exchange facili-often be carrying out the job-broker and client is based on amount on selling it. But for the property of the property ies might be expanded to in- hing function, which is a quite motual trust and confidence, very large contracts with lude one or several of the separate operation on the Stock This explains the widely differ regular clients, the commission

> times the amount he is paying In commission he is cutting his The point is that like any

metals demands discipline. It is ment portfolio. It is also necessary in the interests of peace of mind not to make any commitment which would be financially emharrassing if the whole lot was lost

### Losses

Brokers are obviously not out o lose their clients' money, so the investor should discuss with them the question of stop-loss points, at which time metals should be sold if the market is moving adversely against their

Losses can in any case he minimised by careful attention to the market. The investor is essentially providing speculative funds for the market and thus contributing to the liquidity which is needed for trade hedging operations. It therefore makes sense to keep trading within narrow limits during the months when industry involvement is traditionally

at a low ebb. like the summer. The investor should also keep in touch with the fundamental factors of supply and demand for the metals in which he is trading. But this sort of knowledge is not enough in isolation, for it is quite conceivable that the market prices will advance when all the supply-demand indications show there is a metal surplus. This means that he is thrust back on the technical analysis of the market which the broker can provide.

Trading in metals can, in short, be an extremely subtle business as investors learn the mysteries of techniques like saddles and pyramiding, on how lo make money when prices are declining as well as when they are steadily moving up. But it is not the sort of investment that can be made and left alone. for the market has to be watched. And the investor should not he proce

insomnia.

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### Battle to satisfy future needs

TETALS have a fascinetion for man thet is difficult to analyse or define. The early quest for gold was not only a quest for wealth; it was also a quest for material with unique characteristics for the fashioning of symbols of anthority, and for the adoroment of rulers and their consorts. This need of society for materials with special properties persists and provides the driving force for the present metal extracting, metal fabri-cating and metal using industries. As a measure of this need, in technically advanced netions about three quarters to one tonne of metal is now used per bead of population per

Some two thousand years ago seven metals—copper, silver, gold, iron, lead, tin and mercury -were known to man and from these perhaps ten altoys or mixtures were made. We now know from work on the periodic classification table that n the sequence from hydrogen (nickel, chromium, zinc and veins or floats. Such veins are and the substitution of one

reactive with water, oxygen and if we ignore for a moment. The safest way of predicting amount of new or virgin metel. There are, however, small sulpbur, corrode readily and are the problems of recycling resource life is to assume that required. In Britain secondary metallurgical ironies revealed to the problems of recycling resource life is to assume that required. In Britain secondary metallurgical ironies revealed to the problems of recycling resource life is to assume that required. In Britain secondary metallurgical ironies revealed to the problems of recycling resource life is to assume that required. In Britain secondary metallurgical ironies revealed to the problems of recycling resource life is to assume that required.

CRUSTAL ABUNDANCES FOR A VARIETY OF METALS



Reading out the day's official prices at the Lond Metal Exchange.

as metallic coatings metalliferous minerals to give sumption is that of recycling is dissipated.

They are notoriously from these types of deposits.

weathering of rocks and subsequent movement of the as bad as they would make out? dynamic resource life index for These values are influenced remaining steel is then weathered products by streams
we know from the work of a variety of metals with the by the technical problems of cycled. The resource life index for an uclear physicists that etoms a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. The resource life index for a variety of metals with the by the technical problems of cycled. It is no colocidence that the ores half-way between that of hydroof the two most widely used gen and uranium are the most at the data give in this table, a the time for which metal com to project steel with zinc?

most of the useful metals are it has been assumed that the ing that period there has been quirements and difficulties of found. This is reflected to the same basic types of ores will be a growth in demand, the scrap substitution. Would it then be continental crustal abundance, used and that recycling arising will now only form a possible to limit the use of that is the average percentege patterns will remain the same. smaller proportion of the total those metals having a low due. of a particular element found

### Abundances

some common metals are given the oceans is given below. in the table below together with While these amounts scem the total mass of metal available small in relation in total if mining is cerried out to a amounts available in rocks, if depth of 3.5 km. However, with assessed in reletion to the the known mining and bulk npt.mlstic amounts of recovermineral processing methods not able metals from rocks (R'1, sea ell of these metels chuld be re- water could become a useful covered. For those metals source of some metals at the where it is possible to assess lower end of the table helnw the known reserves with some which are also those et the accuracy it is found that these upper end of the table on the are related to the crustal next page. The rocks compnsing abundance by the expression the sea hed have approximately

where R equals known reserves the continental crust, but prosin tounes and A is the crustal pecting and mining from the see abundance expressed as a per-bed poses formidable problems

From the use of this formula will be ignored. it is possible to assess reserves However, a further source of for all the metals, and these metals is cobalt, tungsten and uranium denum end vanadium in the still in be discovered.

along traditional lines in ex-about 800 times the known ploretion techniques in mining reserves of mangenese, forty and mineral processing, the times the known reserves of reserves R are probably about nickel, twenty times the known three times those given by the reserves of cobalt and copper above formula and these values and ten times the known for a range of metal are also reserves of lead and zinc.

The problem now is to assess nificant amounts of metals lost how quickly these reserves are through nucleer disintegration, going to be ennsumed. If we the old statement that atoms divide the known reserves by can neither be created nor

metal and titanium: as speciel are forced upwards from still tively, increases in the popula- energy reserves, for when account it would appear the alloying additions to the bases molten rocks and react with tion and increases in their ex natural gas, coal and oil are as the conventional sources a

Metals seldom occur in nature to detect and difficult metal for enother and with such Recycling but difficult to quantify,

usually found as oxides or sul- metals, it would appear that in the demand for a metal will recycled metal accounts for by the data in Table 2. One phides. Two types of neture mining metalliferous minerals, grow because of population about 65 per cent, of the lead, the major uses of zinc is for the lead. poides. Two types of neturel intering metals from grow because or population about 50 per cent, of the read, the major uses of concentrations, or ores, of and then laking metals from growth, social aspirations and 50 per cent, of iron and steel galvanising of steel as produced interior metalliferous minerals are them, we are drawing on a west-technological change, but that end 40, 30 and 25 per cent, tion against corrosion with the second corrosion with th found. One kind is the sedimen- ing asset. This is the situeting demand will then decrease as respectively of the annual continuous as a sacrif found. One kind is the sedimenting asset. This some people seize on to shortages develop. On this basis sumption of enpper, aluminium coating and is leached away, weathering of rocks and sub-cry "doom!" But are things it is possible to determine the and zinc.

Tain water and bence jost, The index for the control of the

the next page. Before becoming too alarmed that of virgin metal and elso 626 years. Is it really sens stable. As a result, when the number of qualifications have to ponents stay in service. Conserving the earth were be made. No account has been siderable amounts of copper urgists over the next few of middle of the periodic table to recovering metals from sea building trades and hence tied are the critical uses of metals are of the produced and this is where water or from the sea bed, while up for many decades. If dur in relation to technical is Sea water contains appreci-

able quantities of metals and during the last war wes used for the production of magnesium. The total amounts uf These crostal abundances for different metals available in the same crustel ebundances as end therefore these possibilities

assessments can be compared nudules recently discovered on with the accurately known the sea bed. Besides the manreserves. The divergances for a genese, which is the major variety of metals are shown metallic constituent, there are graphically above, and this appreciable quantities of iron, would to dicate that there may nickel and cobalt and minor well be extensive deposits of amounts of lead, zinc, molyber the construction of the co still in be discovered.

nodules. Just from the Pacific Taking the most optimistic Ocean nodules alone it is estiimprovements mated that the metal content is

Aparl from the almost insig-

to uranium about 80 of the 92 of this type, for the ores are the annual consumption we are destrayed is still true, so that consumption. In reality: metallic rich in metal and easy to find, almost bound to get the wrong although metals may be taken higher proportion of the metallic rich in metal and easy to find, almost bound to get the wrong although metals may be taken higher proportion of the metallic rich in metall and easy to find. The other concentration pro- answer, for the actual reserves from the earth, and fashioned put in service at any one time these elements about 40 are in cess develops from the primary are greater than, the known in various ways, they are not is recovered than is usuall common use nowadays, provid-solidification of the eerth's reserves, while improvements lost—they are just redistri- eppreciated from the dating the bases for alloys—for ex- crust. Hot vapours and liquids in technology will increase the buted. This is a completely given above, ample, iron, copper, aluminium containing metals in situation from the data and litanium as special and from the data and litanium as special and formally described the sections of the sections in the data and litanium as special and formally described the sections of the section of the section of the section of the data and litanium as special and formally described the section of the

molybdenum, existing solid rocks, particularly pectations will increase con-burnt the products of combus- any one type of metallifered silicon and tin); or for con-where geological faults here sumption.

tion are of little interest to minerals become exhausted ferring special properties on a occurred, filling the faults with A further influence on con-anyone and the potential energy market forces will lead to pring the faults with th lead in the exploitation of les in the uncombined or native are examples of metals produced eble. This is a real possibility. The recycling of metals in metal recycled and, where are

the processing costs relative to that for Iron and hence steel

smaller proportion of the total those metals having a low dyn

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There's more to

CONTINUED ON NEXT PAGE

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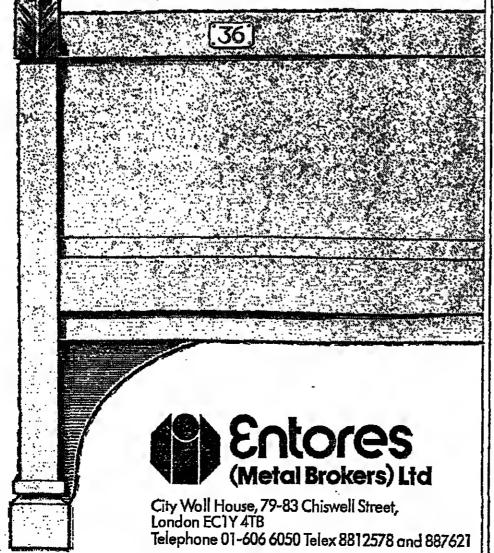
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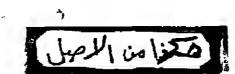
subsidiary of Entores Ltd., who provide a

link between doy-to-day involvement in



THE RESERVES OF METALS Continental Metal in Optimistic crusial outer 3.5km estimate of Metals in ahundance of earth's recovereble the oceans (3xAx111") Tonnes Tonnes 29.0 43.5x10" 8.7710" 4.7x10° 12.5110" 2.5x10° 1.6x10" 7.2x10" 1.4x10" 1.6x10 3.2x10" 6.3x101 2.1xin

Silicon Aluminium Iron Magneslum 0.53 Titanium 8.0x10" 1.61 10 1.5x10° Manganese 0.10 1.5x10" 3.4x1(I" 3.0x10° Zine 0.0081 1.2x10<sup>12</sup> 2.4x10" 1.6x10" Chromlan 0.0077 1.1x10<sup>14</sup> 2.3x10' 7.8x101 Nicket 9.1x1012 1.8×10 3.0x10° 11,0050 Copper 7.5x10<sup>12</sup> 1.5x10° 5.0x10° 1.1x10" 3.9210 4,6x10' 0.00016 4.8x10' 2.4x10° 5.0x10° 0.00012 1.8x10" 3.6x1n J.5x10\* 1.65x1n<sup>2</sup> 0.00611 0.000000025



# A complicated game of competing interests

peting interests play against of his original forward sale.

o as a form of insurance hut less be the same. s more accurately a system rked price fluctuations.

et by the taking of a reverse principle remains the same. ition on the terminal market. LME, so that losses on the Growth may be balanced by gains y be moving.

apleted this transaction, he uld sell the same quantity of tal forward on the LME.

at the time of the metal's

erval between the two pairs

BUSINESS is without risk. lost that amount on the physical each busioess endeavours sale. On the LME, however. liminate the chance of loss, the merchant would be able to concern using raw close his position by buying at erials is automatically part the prevailing settlement price.

1 complicated game where £10 less per tonne than the sum

influenced by the vagaries A loss in the physical market apply and demand and the has therefore been balanced hy lability of finance. Ready a profit on the terminal market olies may be quite different and the merchant has broken n stability of price in a even by playing one market ation where producers seek against another. Had the price. imum returns and con- on the other hand moved iers seek minimum outlays. higher in the interval hetween or the metals industry in the two pairs of transactions, he widest sense the use of would have gained on the ging on the LME is an physical transaction but lost on mpt to keep risks at the the terminal market transaction. est possible level. It is often The net result would neverthe-

That is an instance of a sellbook balancing, where the ing hedge in its most basic rements in one market are form. A buying hedge works d to counteract the move in opposite fashion. And it is. is in another in an of course, possible to work out mpt to limit exposure to endless and complex variations, using different markets simulimply, the buying or selling taneously, carrying over conmetal in a physical sense is tracts and so nn. But the basic

dealing in paper so that trans- tion. It is inevitably greater at

### PROCESS OF A SELLING HEDGE are faced with one serious

a tonne.

THE PHYSICAL TRANSACTIONS

Merchant buys 100 tonnes of lead at current LME settle-

ment price of £320 a tonne.

The lead arrives and merchant delivers to his customer at the current LME settlement price of £330 a tonne.

The result is a loss of £10 a

The net result by balancing one transaction against the

mining and metals industry and infrequently. There is an im processing, are on the whole broker: "The LME exists be- this. cause of trade bedging. The

arourage designed to establish to the development of the marof the way the metals prices ket and the maintenance of its client. Further the line between international position, One his torian lists hedging, with the introduction becomes blurred Contracts introduction of standardised even further because those who

> linked. The use of a standardused contract permits the international economic situa- some generalisations.

en the merchant would have ing facility for the international Japan, is evidence of the rela-tively small amount of metal London brokers have noted. price movements hedging

> There is, in any case, a difmost heavily traded and the costs of production.
>
> fact that the LME cash price As far as consults the reference to the refere

chants or fabricators using the to-day.

zinc market for hadging. This is Scrap merchants are not in ducer price which changes only though they are known occa-

from producers, they are as exother is break even.

THE LME

TRANSACTIONS

Merchant sells forward 100

tonnes of lead for delivery on

date of physicals arrival at

current forward price of £348

Merchant closes his forward

position by buying 100 tonnes

of lead at the current LME

settlement price of £336 a

The result is a profit of £10

primary form and carry out first

stage pricessing. In the case ni

copper, they huy wirebars and

cathodes and turn them into the

shapes needed by their custo-

mers: shapes sections like sheet

strip, tubes and rods. Buying

often on a monthly quota hasis

posed to price variations as the

Manufacturers, who purchase metals after the first stage of

the LME for bedging, often pro

there is reluctance to indulge

in the expense of employing a

specialist to watch the markets

back basis, where they are huy

ing what they bave in effect

Supporters of the LME, and indeed those who are active on

it, do not find this sort of reasoning convincing. The failure to

hedge, they argue, is a dangerous speculation in itself. The

LME is not, after all, a haven of gamblers but a centre of trad-

ing, created by those in the

P.C.

merchants.

supports the comment of one portant result springing from reluctant to use the facilities of Given the fact that only a resi- ferring to accept fluctuations as

rest is speculation."

For all that, it remains impossible to specify exactly the amount of hedging that takes which is a market sumer. amount of hedging that takes which is very vulnerable to place on the market propor-tionate to total trade. Tonnages of motal that shanes hands are of metal that change bands are excessive build-up of speculative varied. In the first instance, The growth of bedging facili- reported daily, but the reason activity led to a temporary ban there is some ignorance of the the other. It is an exercise and growing to be used the life on the LME bas been hasic for each transaction remains a on non-trade transactions in the facilities available, and where arbitrage designed to estab.

No figures are available to when the main search for the buy a quantity of metal contracts for dealing and the do hedge may well be taking quantity the use of the differ profits is inevitably conducted growth of speculation, as being positions on the market as well reseas at the current prevailLME price and arrange for transport to London. Having appleted this transaction, he could be speculation of the LME.

The price and arrange for a fundamental factor in the different specific transaction. The could be speculation of the LME.

The price and arrange for a fundamental factor in the different specific transaction. The could be speculation of the LME.

The price and arrange for a fundamental factor in the different specific transaction. The could be speculation of the LME.

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The price and arrange for a fundamental factor in the different specific transaction. The could be speculation of the LME.

The price and arrange for a fundamental factor in the different specific transaction. The could be specified to t evolution of the LME. hedging reflects the amount of fashion in which the different hedging reflects the amount of fashion in which the different physical metal changing hands sections of the industry use the raw material prices if their sections of the industry use the sales are made on a back-to-

On the production side, the already sold in advance, ival in London he sells actions can be completed with a time of economic expansion.

The indications are that hedged the presence of physical actions are advancing.

The indications are that hedged the presence of physical actions are advancing. n prevailing LME rate. On metal. The growth of specula- ing is currently at a fairly low that when they are retreating.

LME he closes his position tion provides the source of level. Metal stocks were run Their sales contracts are often the purchase of a contract to funds through which the metals down in 1974 and since then worked out on the basis of averthe quantity of metal he trade cao conduct hedging there has been a tendency for age LME prices, calculated ginally sold forward.

operations. The speculative the metal users to work on a over terms of perhaps one ortis quite likely that market funds are the risk money which hand-to-mouth basis in the face three months. When the marces will have changed in the provide liquidity for the trade. of sluggish industrial activity, ket is on a definite upswing, erral between the two pairs. The international character of The build-up in metal stocks, they can register the difference transactions. If there had the LME's membership testifies both at the LME and elsewhere between the price they receive in a fall of £10 per tonne, to the importance of the bedge to areas like the U.S. and for actual physical sales and the

London brokers have noted. held in the trade and subject for example, that the mines operations are designed to in price during 1973. During the succeeding downturn, howference in the amount of hedge ever, the situation was very ference in the amount of hedge different. The mines were not be which takes place between ing which takes place between auxious to be left with exposed the LME metals. Inevitably copper is the most extensively positions on the market when hedged, a natural consequence of the fact that it is the metal

As far as consumers are is the reference used in the concerned, the merchants and costing of most contracts be fabricators use hedging the tween suppliers and consumer; most extensively. Hedging was actually started by merchants At the other extreme, there is wishing to protect their shiplittle hedging interest in silver, ments, stocke and future com-Nor is there much point in mer- mitments. The same needs exist

because of the European pro- quite the same position. Al-

### Needs

CONTINUED FROM PREVIOUS PAGE

amic resource life index to these critical applications or to where ESTIMATED LIFE TIME OF recycling is comparatively easy and efficient? There are those who would argue that normal market forces will take care of this situation. It is to be hoped Zine that they do, for any legisla. Gold tive action would need to be m Tungsten as interoational scale and diffi- Lead cult to control.

One thing certain to happen, Silver in view of the data snown in Molybdenum the table on the right is that the Mercury price relativities between metals Tin
will change very markedly over Aluminium
the next fifty years. Chromium

### index

What of the longer term With the extent of metallurgical knowledge at the ticularly in regions where poten metallurgical knowledge at the ficularis in regions where poten-moment, there would be no diffi-tial aspirations are greatest. culty in providing metals and then there should be no diffialloys to meet present engineer culty in providing the metals ing needs if we were limited to society requires. the use of those metals with a present dynamic resource life of energy. The most optimistic ite as the primary raw material. and only slight improvements in technology or price differmuch wider range of aluminabundance of aluminium.

There are two critical long lo remain populated by metal term issues. The demand for using human beings metala is clearly linked to population growth and increasing standards of living. If population growth can be limited, par-

Dynamic Resource Life Index (years)

The other critical issue is that index of about 500 years, but it estimates of energy reserves is assumed that aluminium is in based on fossil fuels give a this category. This is a fairly dynamic resource life of 300safe assumption for the dyn 500 years. If society needs amic resource life index of metal then, as we have seen. aluminium is based upon baux-there is no real shortage of metal atoms—all that is required is abundant energy to concentrate and then liberate entials are needed for a very them from the other atoms they wish to be associated with or ium-bearing materials to be have become associated with as considered as workable ones, a result of man's actions. and this should he judged in Nuclear power derived either relation to the high crustal by lission or fusion is the real long-term hope if the earth is

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LEAD

# The language of the commodity markets

ARBITRAGE: This is a very the forward position. The hack-professional operation which wardation is also referred to as involves a purchase in one the "back."

BASIS PRICE: The price is also called the correct market with the simultaneous and the proposition of the current market price of the any change in the partities metal.

Commodity Exchange; and the This price is also called the occessary foreign exchange "striking price." It is normally transaction to protect egainst the current market price of the any change in the partities metal.

Detween the two currencies EEAR COVERING: The closinon-perhaps differing orders which the LME fails involved. There are many in one market against the dollar).

EEST ORDERS: Buy or sell involved. There is also called the current market price of the involving perhaps differing orders which the LME fails involved no no market against the contangos on the two market at what the dealer of the two currencies is grant and the contangos on the two market at what the dealer of the contangos on the two market at what the dealer of the partition metal is an accommodity on the partition of the contangos on the two market at what the dealer of the two currencies prepared to pay.

Assay: The independent host proving metal from the structure of the two currencies prepared to pay.

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Assay: The independent host proving metal from the structure of the two currencies prepared to pay.

Assay: The inde

brands must conform to a Cash and Carry.)

typical assay for the brand in BROKER: One who puts "Comex is 66 cents" meaning

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ACTUALS: The physical com- price of a metal stand at a to describe a borrowing opera. END CONSUMER: A com- of metal. Equally suppliers simultaneously around the remodity itself as opposed to premium over the price of tion which results in physical pany in whose hands the can deliver their metal to the Kerb trading is often expressions made by the metal for delivery in three metal being carried in an LME identity of the fabricated metal LME if their customers declare simply as "on the kerb "trade to reduce their sick of metal."

buyer and seller in touch with the Comex copper price is 66

bedging operations made by the metal for delivery in three metal being carried in an LME trade to reduce their risk of months' time. A backwardation warebouse by the borrower. heing exposed to price fluctua- occurs wheo nearby supply in tions. The term is very seldom a metal is tight. The size of used in relation to the LME the backwardation is determined by the supply/demand is determined by the supply/demand in the prompt generally reflects of storing, insuring, and the prompt generally reflects of storing insuring, and financing for thet period. When the forward position. The back of storing insuring and professional operation which wardation is also referred to as semi-fabricator):

The term is very seldom a metal is tight. The size of a contango exists, the premium of the forward position over the forward position over the prompt generally reflects companies also have fabricating market and an order to motor car, trans-order to motor car, trans-order the prompt generally reflects companies also have fabricating market and an order to motor car, trans-order the former, ctc. Some of these buy or sell which is valid every trading after hours was literated to the same factors on the nearby positions costs of storing, insuring, and financing for the prompt generally reflects subsidiaries. (See also Fabrication if specified) until cance led by a near date and simultaneous buying it back on a force majcure.

\*\*CASH AND CARRY: When plex product, for example, a contango car, trans-order to motor car, trans-order to

delivery period. (But see Cash Metal arrives et the ware analysis is undertaken by two

cnown as "cover in."

mines rather than its own approved warehouse, sell it as So although the prime of e serious U.K. dock strike, caplive main sources, or on "cash" metal on the Exchange, function of the warehouse is to scrap. This type of operation and collect his money the next ensure that each lot of metal warehousea proved to be of recent years. 1See also When the metal arrives at the correct weight and number of consumers were still able to

not executed that day. It is approved vaults end warehouses automatically cancelled. If is packed in lots of t0.000 troy valid for all markets (that is pre-market, lunchtime, evenings) any instruction should clearly state "all markets." The warehouse and its location, The order can then be executed at warrant is in fact the unit of a whole range of other ancillery delay delivered of metal against Line lumps of metal into neat piles. Many of these apecialist companies use their expertise and countracts have never because the countracts have neve

date on which the buyer's right ing the stocks held in the companies draw up represent unique basic service to the to exercise his option expires various warehouses and is a cottilement to one lot of a industry, the stocks beld by the DELIVERY DATE OR well-recognised form of col-particular metal. The LME warehouses act as a barometry which a metal has to be which a metal has to be delivered to fulfil the contract Registered

of money by a client which is approved LME warehouses must seller's option, but the system stocks of most metals, particlerequired by his broker to justify be a registered LME brand, has a good deal of flexibility, larly copper, were at unusually the opening of a futures This is to ensure that the metal inasmuch as brokers are con high levels last year (coppe position. The size of the deposit received will always meet the stantly changing warrants from still is) the LME's approved is usually 10 per cent. of the standard LME contract's dimenous delivery point to another to warehouses acted as an indusvalue of the contrect. (See slonal and purity specifications, suit the buyer, A purchaser may trial safety valve by allowing

which gives the buyer or taker this contract must be "produced metal. But if this wavehouse on the wavehouse for add-of the option the right to either by distillation or electrolysia" does not have the particular tional supplies as and when buy from or sell to the seller and must be zinc of minimum brand he requires, it is usually needed, or giver of the option et the 98 per cent, purity. It must possible to exchange warchouse basis price.

# typical assay for the brand in question. BACKPRICING: A consumer stabilishes his cootract with a producer which commits him to receive a certain limited tonnage—usually for the oexticalled brokers, especially in the U.S.A. However, on the verticalled brokers, especially in the U.S.A. However, on the vertical as principals, though they are contracted the price is only still usually referred to as principals, though they are contracted the price used by producers ls which gives the holder the currectly the LME settlement right to buy metal from the price. Each day's settlement or striking price. A call option following day, end the come to buyer's risk to the permitum moothly quot no that time. This "price-fixing" operation of the time. CARKING: Carrying is the constraint of the price is varied until noon. The price-fixing of overaging the remarked provided in the constraint of the

bouse basically from four official assayers on the LME's COVER: The balancing of an sources - refiners, merchants, approved list. At the moment opeo position by buying or sel- producers and consumers. Some the warehouses receive over 60 prompt metal oceds, the warehouse receive over 60 prompt metal oceds. consumers, is from surplus throughout the world, 80 pressures of outside forces r its demand. As part of the total over 130 brands of tio, and Adams of outside forces ing on the LME. It is also of this metal, especially from brands of leed from producers smelter which depends for its demand. As part of the total over 130 brands of copper wireintake mostly oo concentrate LME service, a holder of surplus bars and cathodes—io additioo purchased from independent metel can plece this in an to some 70 brands of silver.

Refinery.)

DAY ORDER: (G.F.D.): An order placed with a broker which is valid throughout the rings and kerbs during the day on which it was placed. If Silver for delivery to LME lumps of metal into not executed that day, it is warehouse are divided arrives at the correct weight and number of consumers were still able to obtain their marginal requirements of metal. Another much more sophisticated that much more sophisticated that drawn up by the warehouseman, the act of simply building large that it is an obtain their marginal requirements of metal. Another much more sophisticated that drawn up by the warehouseman, the act of simply building large that it is an obtain their marginal requirements of metal. Another much more sophisticated that drawn up by the warehouseman, the act of simply building large that it is an obtain their marginal requirements of metal. Another much more sophisticated that drawn up by the warehouseman, the act of simply building large that it is an obtain their marginal requirements of metal. Another much more sophisticated that drawn up by the warehouseman, the act of simply building large that it is an obtain the actual ments of metal. Another much more sophisticated that drawn up by the warehouseman, the act of simply building large.

Silver for delivery to LME Many of these apecialist comorder can then be executed at warrant is in fact the unit of a whole range of other ancillery delay delivery of metal if they currency on the LME. It is used services. DECLARATION DATE: The as a beerer document for finance. The warrants the warehousing

Taking standard zinc as an normally use a warehouse near consumers to run down their DOUBLE OPTION: An option example, the metal listed under his factory when collecting his own inflated stocks and to rely

moothly quota oo that price up paid should bis view of the to that time.

This "price-fixing" operation or fluth the is referred to as beckpricing.

EACKWARDATION: The "borrowing" end "lending" stands et a premium over the situation wheo the cash or spot on the LME. It is also osed to financing, insuring and stormally exceed the cost of financing, insuring and stormally exceed the cost of financing, insuring and stormal delivery period. (But see Cash Medial arrives at the warehouses at places as diverse as London, Liverpool, New producer wishing to register his own brand of copper, for the metal stored. The varies slightly from warehouse when the price of a metal for delivery of forward or future delivery only) Rotterdam, Hamburg, Adowerp and Bremen, It is in the brand he wisbes to register will conform to the plantituding supply of the metal private companies but strictly and class of financing, insuring and stormally exceed the cost of financing, insuring and stormally exceed the cost of financing, insuring and stormally exceed the future delivery period. (But see Cash Medial arrives at the warehouses at places as diverse as diverse.

\*\*BEACK WARDATION:\*\*

The brand registration in itself is for the metal stored. The pretty stringeot exercise. A protty stringeot exer submitted for analysis.

up to 14.30 bours on the prompt returns received from the wart DEPOSIT: The initial outley All' metal delivered into points for the metal are at the week by the LME. Also, when

### This L'TOMPT

Apart from Its function of bouses ensure the needs industry are met instantly. to be put on warrant is of the vital importance as Europea

Symi

run into production troubles. Finally, apart from their

Ian Dunning

### LEOPOLD LAZARUS LIM

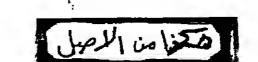
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# Aluminium prospects

rer, using water due to be others down elsewhere. ised later in the year, and buying in supplies from r areas, the first sbutdowns low beginning to take place. the biggest U.S. pro-T, bas closed one line out.

importantly, but the operation of their customers.

Industry's problems on Vest coast of the U.S. look it is in Europe and though the relatively other European markets have the investment required to sushing much more serious, world are likely to provide a world are likely to provide a buffer for some time, and looks as through the results returned by Alcan U.S. as in Britain year, the metal shortage which already, as the much improved a was being predicted for 1978-79 are results returned by Alcan U.S. as in Britain year, the metal shortage which already, as the much improved a was being predicted for 1978-79 as the metal shortage which already, as the much improved a was being predicted for 1976 indicate. Alcan's listed the return to higher shipment levels has had its effect an the progresses.

The result over the medium past year by no less than half are reporting higher earnings on their aluminum activities. This term will amost certainly be from 1976 indicate. Alcan's listed the return to higher shipment levels has had its effect an the past year by no less than half are reporting higher earnings on their aluminum activities. This of the driest witaters on d. Some 25-30 per cent of 1975 to a low in August and, almost certainly be found the world, some 25-30 per cent of 1975 to a low in August and, almost certainly be found the world are likely to prove the medium prove the medium prove the medium prove the medium past year by no less than half are reporting higher earnings on their aluminum activities. This term of the driest witaters on d. Some 25-30 per cent of 1975 to a low in August and, almost certainly be found the world, prove the medium past year by no less than half are reporting higher earnings on their aluminum activities. This but as the producers point ont, has merely provement in provemen

ers this month by the roughly 7 per cent of U.S. of strikes at Alcan stretching implementing the second round only a partial recovery from ffects of the U.S. weather capacity. With the U.S. account back to last June, which has of rises. It is now widely the recession, export markets Like all other manufacing for just under half total resulted in the loss of about expected, however, that against have been buoyant. the U.S. aluminium pro- Western world output, a reduc- 350,000 tonnes of metal from a background of increased pro- The unanswered question as bave heen affected by the tion will clearly bave implicative company's Canadian smelt-duction difficulties a further rise far as the industry worldwide on the East coast which tions for supply and prices of ers, and at a time when poor will take place in the ingot is concerned, is whether the

to its present price of 48 U.S. experiencing over

VEXPECTED oew-element reduce capacity in the U.S. The latest cutback comes, cents per pound but in the case months. Though some customer on brought into the calcu- aluminium industry by some furthermore, only after the of semi-fabricated products industries in the U.K. such as of the world's aluminium 350,000 tonnes this year or settlement of the last in a series difficulty was encountered in motors and building have made

importantly, hit the operaof their customers.

In the East coast which done to supply and pieces of ers, and at a time when plot will take place the middle of the improved market coupled with importantly, hit the operaof their customers.

In the U.S.

In the contents of ers, and at a time when plot will take place the middle of the improved market coupled with the operaimportantly, hit the operaof their customers.

In the U.S.

In the contents of ers, and at a time when plot will take place the middle of the improved market coupled with the improved market coupled with the defects could be felt in meant very little new capacity year.

Thus although the relatively other European markets have the investment required to sus-

down at two U.S. smelters, but levels achieved in the two preducing the course of 1976, and the industry now reckons as Steve Hutchcraft, vice ceding quarters, nrder books the continuing high rate of around 55 cents per 11b to be president of Kaiser in charge are now strong and deliveries inflation.

The industry now reckons as Steve Hutchcraft, vice ceding quarters, nrder books the continuing high rate of around 55 cents per 11b to be the minimum price level needed in the first few months of 1977. The aluminlum companies to justify further investment points nut, heavy costs will be incurred in bringing pots back itations have been taking into operation in one part of put up the price of the metal generally strong demand for through acquisition, notably the country, while closing in Juoe and again in August the metal they have been Kaiser, none of the U.S. majors for substantial. recent bas any plans for substantial new plant. At the same time the contribution which it was thought the new oil and bauxite rich countries might make towards the metal supply looks at best to have been de

we at its vancouver plant in hington, and Kalser, her leading producer with smelters in the area, has it is only a matter of time it is only a matter of time the LME a lot is often called a her companies are likely to her companies are likely to her same and unless there copper, lead and zinc the lot of the late and construct on the market for the late and consumers. This is because the previous day's settlement to hard the late and consumers. This is because the previous day's settlement to hard the late and consumers. This is because the previous day's settlement to hard the late and consumers. This is because the previous day's settlement to hard the late and consumers. This is because the previous day's settlement adjustments in price. The more

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CONTINUED FROM PREVIOUS PAGE

ibly lasting until next year. client to keep the original MERCHANT: A metal hedging the out of balance market has shown its ability to ing aluminium analyst with deposit intact at, usually, 10 per merchant—as distinct from a metal position on the LME. See

ing aluminium analyst with deposit intact at, usually, to per producer's agent or broker — back-pricing, enheimer of New York, the cent of the contract's value and often acts as a principal, huying PRICING IN: Where a

estimate of the price for a in a fabricated form, but is onwards. futures month or date which is always on risk from fluctuations used to designate a closing price in the value of the basic metal. when no trading has taken place Metal recovery is very important in that month or date.

is asking for the commodity he about 40 per cent of all copper OPEN OUTCRY: The method SEMI-FABRICATOR:

of dealing employed on the Fabricator.

LME and other futures markets. SESSION: There are two The broker says for all to hear, sessions on the LME each day. Buy (or sell) X amount for a One in the morning and one in stated delivery date and a stated the afternoon. Each session price. When another broker comprises two five minute responds to take the bid or offer, "rings" for each metal and a the deal is fixed and that price 15 minute "kerb" period. becomes the latest traded price SHORT: Starting a transaction for the delivery date for the by the sale of a futures contract.

been closed out. For some U.S. which does not apply to the clearing house exchanges the LME, means the first delivernet open position is an able month for which a quota-important statistic and pubtion is available on a futures

sell to the grantor of the option SQUEEZE: Pressure on in advance that the price basis particular delivery date which will be the closing price of a makes the price of that date specific ring or rings on the firmer in relation to other dates. LME. The buyer will therefore STOCKIST: A stockist is one be pricing in on the close of that who bolds stocks of semiring and will probably hedge his fabricated products ready for

seller is selling a quantity of A stockist function is also metal at the closing price and fulfilled by, e.g. a builders' will, therefore, bedge bis sale merchant who holds large by buying during the closing stocks of copper tubing or stages of the ring.

PRINCIPALS' MARKET: A STOP LOSS ORDER: An futures market where the ring order which becomes a market

they conclude across the ring to sell only if the market and with their clients.

gives the bolder of the option price. There is no guarantee the right to sell to the grantor the order will be executed at the of the option at any time before price specified. A stop loss the expiration date a specified order, as its name implies, is quantity of the commodity at an instituted to prevent or miniagreed price. A put option is mise losses in either a short or bought on the expectation of a long position.

fall in prices.

STRIKING PRICE: See Basis

metal by treating mine feed switching simply refers to ex-(concentrate), a refinery pro- changing metal in one wareduces high purity metal either house for that in another, e.g. by electrolytic or fire refining. Rotterdam for London. In copper and lead, refining is TENDER: Delivery of the always preceded by smelting, physical commodity against a but in tin and zinc smelting and futures contract.
refining blend into one process
of recovering marketable VALUE: An LME term referrquality metal from concentrates, ing to a price which is traded

treat scrap materials. RING: A trading period of at that price i.e. there are five minutes on the LME; e.g. neither buyers nor sellers the first tin ring is from 12:10 "nver" at that price.

VOLUME: The quantity of

SECONDARY DEALER: A firm which Also referred to as turnover. specialises in buying and selling WARRANT: The dorument of at any time before its expiration title to metal stored in an LME date a specified quantity of the registered warehouse. The commodity at an agreed price warrant is a bearer instrument (basis or striking price). The and states brand of metal. cost of buying the option is weight, number of pieces etc.

called the premium.
PHYSICAL: See Actuals. PRE MARKET:

the same and unless there copper, lead and zinc the lot own an unusually wet sum size is 25 tons, for tin it is 5 tons or spring, or some and for silver 10,000 troy operated easing of the U.S. ounces.

In previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day's settlement way helow the historic 7-8 per cent. The previous day helow the historic 7-8 per cent. The previous day helow the historic 7-8 per cent. The at market if a certain level are matching their sales to considered by all the big comgy situation, the shutdowns MARGIN CALL: A request above or below the current price customers with price fixing on panies but major decisions may is likely to be prolonged, for funds by a broker to his is reached.

the producer price and then well be delayed until the the producer price and then well be delayed until the A metal hedging the out of balance market has shown its ability to

of power threatens to covering any potential losses metal or concentrates from prothe metal on to others. He will sumer both parties will agree often hold metal for his own scrap metal. The metal puraccount waiting for a huyer.

NOMINAL PRICE: An form (such as hrass) and often but is

often acts as a principal, huying merchant agrees to buy a quantity bf metal from a conthe metal on to others, He will sumer both parties will agree often hold metal for his own scrap metal. The metal puraccount waiting for a huyer. chased and sold is often in alloy from the second half of the year onwards. throughout the world. Copper OFFER: The price the seller scrap, for example, accounts for

An open sold position on a OPEN POSITION: A forward futures market market position which has not SPOT MONTH: This term,

market. For example, "March OPTION: An option gives the is now the spot month on holder the right to buy from or Comex."

purchase by selling during the sale to nsers. Stockists usually closing stages of that ring.

FRICING OUT: Is exactly the less steel/aluminium or in opposite of the above where the copper/brass/high value metals.

members act as order to buy only if the market principals for the transactions advances to a specified level or PROMPT DATE: See delivery soon as this specified level is traded the order is executed for PUT OPTION: A put option the client at the next abtainable

REFINERY: As distinct from price.
a smelter which produces crude SWITCHING: On the LME

Refiners (and smelters) also in a volume sufficient to satisfy the current buyers and sellers

METAL business or transactions done

A term also the same way as "lot." Source: Wolff'a Guide

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4 Octnber	SELL	£880
21 October	BUY	£820
17 November	SELL	£830
9 December	BUY	£797
11 January	SELL	£835
13 January	BUY	£823
28 January	SELL	. £876
(IUp to cl	ose 8th February 1	977)

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JAPANESE non-ferrous metal of curtailing their copper out industrialists and traders some- put. times view the LME with a comfacilities in future. Of course, ing countries that "cannot metal exchange and introduce and regulations concerning tinn of a producera' price sys- foreign exchange, and export tem. but a plan to set up a and import trade.

Tokyo warehouse of the LME "If the wide. seems to be under more serious metal prices formed at the

limited to hedging under direct participation by pi foreign exchange restrictiona ducers is inhibited," he said.

personal opinion, producer and rights.
consumer nations should consider adopting a producers' Yoshihiro price system for the world cop- Mitsuhishi

Both producer and consumer tions of world copper prices, new copper mines is not feasible at the present copper price level so a serious copper shortage could emerge by 1985.

### Discussions

the UN Conference on Trade a more practical solution. and Development (UNCTAD) market hog down, it will be with a plan to seek the setting sounded out the International considered feasible by worthwhile for producer and up of the Tokyo warehouse of Wrought Copper Council on the Japanese Government. consumer countries to get to the LME for the stabilisation of possibility of setting up a Tokyo gether to consider introducing a copper prices in Japan. The warehouse. At the time, ring producers' price system, be said, adding that this, however, presupposes that producer coun-tries are willing to and capable

bination of envy and criticism, of Mitsui Metal Mining and especially in regard to copper Smelting, said at the London trading. But on the whole they Metal Forum last October that expect to make more use of its there are many copper producproposals have been advanced freely use the metal market he for the establishment of a Tokyo cause of their restrictive laws

"If the wide fluctuation in Metal Exchange should last A few Japanese firms operate long, the producers may queson the LME through joint ven- tion whether it is reasonable to tures with ring members, hut leave pricing of their product to their operations are officially the Metal Exchange where any

by the Japanese Mr. Omoto also proposed the Government, which currently creation of non-ferrous metal hana copper exports and im- stockpiles by both consumer and poses duties on copper imports. producer countries and the Mr. Akira Fujisaki, president adoption by the International of the Japan Mining Associa-Monetary Fund of these metals tion, said recently that, in his to back its special drawing

per market to stop wide price suggested the establishment of a metal exchange in Tokyo, in order that Japan and other countries have been suffering countries in the Far East may been suffering have more say in the forming seriously from erratic fluctuaof world copper prices. He also he continued, development of placed on a U.S. dollar hasis, to be free to import and export

The Japan Brass Makers Asso-

foreign correspondents look at the attitudes to, and involvement in the London Metal Exchange of some of the countries, both producers and consumers, which use it as a base for trading

sion that an LME warehouse in to such a measure. Tokyo would benefit both cop- Japan consumes 800,000 tons per producers and users in of copper annually and imports Japan, and is now trying to 500,000 tona of copper-ore and Guyana and Jamaica are on iron laws. hring the Japan Cahle and Wire concentrates (in terms of metal) bauxite, Bolivia relies for 10 per Manufacturers Association, an- and more than 200,000 tons of cent, of its gross national pro- Example

tion of foreign exchange and copper from Japan have been foreign trade controls by the banned since 1974. Inai, president of Japanese Government would be To reduce growing copper thirds of the total mining ex-legal industries, consider the plan was to suc- stocks bere following the ban ports of Latin America which

### Warehouse

need large funds and take a the Brass Makers' Association's That the creation of a Tokyo ciation before presenting the exports.

If the current discussions at warehouse of the LME might be scheme to the Japanese Government for approval.

Association's raw materials com- members of the LME indicated and often to the politics of the sentiment of the market and mittee has reached the concluthey would have no objection three Andean countries.

other group of users, round to electrolytic copper, the remain-duct on the mining sector, Chile der being covered by domestic 8 per cent, and Peru 6 per cent. The Association said relaxa- ore. Exports of electrolytic Together the three countries'

> on electrolytic copper exports, are valued at about \$3\hn. a tiated for cutbacks in the shipments of copper ore and con-

In these circumstances, the smelters say they would like Three years ago the Japan to see the export ban lifted Warginal on ways to stabilise the copper ciation said it is pushing ahead Wrought Copper Council whenever such a measure is

Saburo Matsukawa

### On this and the next page, our SOUTH AMERIC

THROUGHOUT MUCH of last bassies usually contain expe month the letters LME were on mining matters. Various h printed in bold type on the vian ambassadors in Lon front pages of newspapers of La have semselves been mining Paz as the price of tin touched perts including most rece record heights. The same has General Juan Lechin, who bappened in the past in Chile been general menager and Peru when there have been COMIBOL, the State minine violent fluctuations in the prices terprise before being name of other metals, notably copper. his post in Britain.

industry in all three countries three countries try to get m ensures that what happens on mum advantage from the the Ring in London is always of by attempting to time vital importance to the economy marketing initiatives with

Though the three are not as keen to achieve some sor dependent on their metals as independence from the Li exports account for about two-

Mining is a hig provider of Japanese companies con- centrates from producing coun- jobs (60,000 or 3.9 per cent, of cerned should be allowed to tries to Japan-with only par- the work force in Bolivia, have enough foreign exchange tial success-in 1975 and 1976. 90,000 or 3.5 in Chile and 70,000 placed on a U.S. dollar hasis, to be free to import and export
instead of sterling, to reduce copper for an LME warehouse ban on copper exports did not
the effects of sterling fluctuain Tokyo to function effectively. attain its objective of stabilising
tions on copper prices.

If the Cable and Wire Manusteeply in 1974. They also
But since such a plan would facturers' Association agrees to

Complain that other advanced

To be free to import and export
ban on copper exports did not
provider of foreign exchange taining a producers' price in that metals and ores are the the metal which would be able
most vital to all the countries, the world price.

Bolivia and Chile depend for
Bolivia, with its particular in the countries of their countries. Japanese smelters say the or 1.6 in Peru) hut it is as a complain that other advanced about SO per cent, of their interest in tin, of which it industrial countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the world's second largest in the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign income on the products the countries were freely foreign in the countries great deal of time to plan, the latter will seek the supset selling their copper on the materialise, Mr. Fujisaki added port of the Japan Mining Asso-LME, while Japan stopped its case of Peru it is about 50 per influence prices through the

It is oo exaggeration to say that the prices of metals fixed excessive fluctuations in in London—though they often prices for the metal. refer to marginal amounts of metal not covered by long-term agreements between supplier and purchaser-are the principal thermometer measuring the economic bealth of the three countries referred to.

tions that take place in LME that refusal means the effections prices it is hardly surprising withdrawal of Bolivia from the AUSTRALIANS tend to be only the trend of sterling. Finally, last year before the prices justi- that all three governments have Council and during that time lukewarm about the LME, and most of all, it is considered fication tribuoal—a guarded very mixed feelings about the a new compromise may well be world institution which reflects MIM's chairman Sir James in the sharpest way their de-

more so than their customers, currency hedgers, and regard sums up the industry view when best deal they can out of the locally and thus reduce its de And there is an ambivalence in them as a danger to their he adds: "It is alleged that there LME. This is reflected, for in pendence on overseas smeller

Donald Lipscombe The staffs of the three em-

The importance of the mining But at the same time as

the decision by Chile, Pa Zaire and Zambia to create Copper Exporting Countri (CIPEC) to defend produc

30 per cent. of world copper

International Tin Council, oldest and so far the most iron out what they consid

For the moment Bolivia bappy with the refusal of a consumers to increase the of the International Tin Council 12: refused to ratify its confinua in the Council. There are, In view of the sharp fluctua- ever, a few months to go b

But Bolivia's best chance exercising a major influence of

0,000 tons.
Hugh O'Shaughness

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### **AUSTRALIA**

Australia's part in the ongoing industry.

"North-South dialogue" that "The Australian public would aspires to produce an alternative to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the says Mr. Rudolph Busch, a man-tive to the free market that the large office in By producing its own tin in the referral hy CIPEC nations tained by the Colle Copper closer control over Internations.

LME and this is fenetted, for in-pendence on overseas smellenged that the large office in By producing its own tin in the referral hy CIPEC nations tained by the Colle Copper closer control over Internations.

Corporation.

LME and this is fenetted, for in-pendence on overseas smellenged that the large office in By producing its own tin in the says of Australia's part in the ongoing industry.

an Australian hon-ferrous metal transactions. As a Western are able to make use of LME Mining Corporation spokesman facilities." Mining Corporation spokesman put it: "As a long-established institution with a history of practical commercial dealing, its survival is a commentary on its usefulness to most of the industry most of the time."

bias from Government, or per-producers among the less developed countries. Government
Although Australia has made it Initiatives bureaucracy. nnllateral pricing, it has had observers in Geneva for the heing worked out

difference hetween metals and ally and for zinc in particular

ginal requirements of con-stitution and withering demand. sumers. Secondly, it is affected MIM Holdings, the company unduly by market sentiment, that runs Australia's main particularly its propensity for copper producer at Mount Isa.

moving in counterpoint against stated its attitude to the LME

Although they are a nation of vulnerable to highly-geared affirmative. facilities are generally not avail- term interest in the commodi- Foots rates the LME "the best pendence on the vagaries of inable to them. With an economy ties they trade. Although in indicator we have on price. It ternational demand. that leans heavily on exporting berently gamblers themselves, is the basis for our copper sales minerals, they are often frus- mining men speak disparagingly io Australia and for our copper interest of the Chileans, Boli- but rather in its own plans to trated by LME prices—but no of chartists, speculators and and lead sales overseas." He vians and Peruvians to get the smelt its tin and other ore

But the consensus is that while this market is imperfect, it is the best there is. For the LME market sets the price, sometimes indirectly, for nearly all Australian non-ferrous metal transactions. As a Western in the market use of the market.

The matter of copper pricing to UNCTAD. But in general terms the average of the LME through it may be, is only genuine hadging. So only that price necessary to main-sometimes indirectly, for nearly all Australian non-ferrous metal transactions. As a Western the market use of the market use of the market.

The matter of copper pricing to UNCTAD. But in general terms the average of the LME through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market use of the market. The copper pricing to UNCTAD. But in general terms the average of the LME through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market use of the market. The copper pricing to UNCTAD. But in general terms the average of the LME through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is in-that through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is in-that through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is in-that through it will be reinforced in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is uncompleted in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is uncompleted in the will oe difficult for it to rive next few weeks when a big new the power over the fin market is in-the will oe d

Australia bas a unique place in the North-South debate that is focusing on UNCTAD. Geographically part of the southern bloc it has taken its place without debate as a mem-While this is the industry loped oations team, rather than rew there is a slightly different with its fellow raw materials

UNCTAD initiatives for try ing to iron out the humps and between CIPEC and UNCTAD. times ruin Australian miners Australia is an associated memare rejected as pie-in-the-sky ber of CIPEC and has aligned as commendable as the aspira with UNCTAD in most of its tions may he. The LME reflects international Bauxite Association initiatives. And of course attacking the LME for the the Australian Government has a floor price under wool, tradi- the thermometer for the temtionally the country's main perature, some producers main-product until the 1960s mining tain it aggravates unsettled

As mining men point out. There are no indications in bureaucrats rather like the idea suggest, one of Australia's major of a market they feel they can producers says, that cyclical pat control. The fundamental terms of metal demand gener wool is Australia's relative are likely to become more shares in the world market for stable. Fixed investment expen-wool compared with its leverage diture, the ultimate source of on LME metals, a situation compounded particularly by the high scrap components in copper and lead that removed a high proportion of the more than two-thirds of zinc demand, is expected to face a particularly uncertain time, setting a real problem for Australia which proportion of the more than two-thirds of zinc demand, is expected to face a particularly uncertain time, setting a real problem for Australia which proportion of the more than two-thirds of zinc demand, is expected to face a particularly uncertain time, setting a real problem for Austraa high proportion of the total lia, which ranks third after from the conventional market. Canada and Peru in terms of exportable surpluses.

Under such conditions of The LME's relatively more demand fluctuations the preunstable prices are seen from sence of an LME pricing system

Australia to be the result of could lead to iostability com three main factors. First, most pounding instability. Invest-metals are traded directly be-ment decisions, bearing in mind tween producer and consumer, the substantially higher capital making this a residual market required to establish new mines drawing supplies from con- and smelters, could be further trolled as well as free econo-inhibited." The outcome, this mies and meeting only the mar- producer warns, could be subA magnum of congratulations to The London Metal Exchange on their Centerary



from Britains Leading Manufacturers of non-terrous semis

Delta Extruded Metals Co. Ltd. Enfield Rolling Mills Ltd.

### LONDON METAL EXCHANGE XV

point is an enigma. Its con- turing firms.

### wareness

reness of exchangas in the and consumption.

LONDON Metal Exchange interest in the LME and how it remain suspicious of the LME. most U.S. buyers of metals, may be used by U.S. manufac-

-consequently the concept on the LME are subject to sharp n exchange with its bld and and sudden day-to-day fluctua-activity is foreign to them. tions and to the extreme swings that take place over a long period. This, they contend, is bardly a basis for orderly ven to-day with the greater davelopment of metal resources

the majority of metals Among the more extreme proers do not participate in ducer viewpoints is the attitude ducer viewpoints is the attitude

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### American ettitude is changing rapidly. For the most part, American metals executives

The same of the LME works, and their thinking.

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Pat Walker tions.

### **SCANDINAVIA**

ible, abundant accered.

sizeable amounts of tin and comex so condly, Americans by their nature are not a bartering that these metals have never nature are not a bartering about tha merits of pricing and ness establishment pay the east listed. They are not the use of sterling that these metals have never them in using the London Metal for all LME quotations. This exchange, Perbaps the next 100 creates a double problem for swedish producers, whose dealers, who have to cope with more U.S. involvement in what the sharp fluctuations in the the current LME copper prices. has already become a very pound as well as metal price would like to have a producer important market madium in the concept on the LME are subject to sharp the concept on the LME are subject to sharp the concept of the metal housened to dickering for a basically is that prices quoted international metals world.

American matals buyers as to within the area at present finn thought, and represented that do exist for centres on the use of sterling a small improvement over current LME practice.

Exchange, Perbaps the next 100 creates a double problem for years of its existence will show dealers, who have to cope with high costs are not covered by more U.S. involvement in what the sharp fluctuations in the sharp fluctuations in the the current LME copper prices. has already become a very pound as well as metal price would like to have a producer important market madium in the changes. Some Nordic dealers price for the metal hunch and the current LME copper prices.

Editor American Metal Morket Both producers and con-

### Further supporting their THE NORDIC countries are the sumers, while recognising that

point is an enights. Its conpoint is an enight. Its conpoint is an enigh is an enight. Its conpoint is an enight. Its conpoint is reluctance to become involved largest producers of non-ferrous the LME has decreased the surrounds it leaves the business community about bedge they could fix prices. This trading within the area is, stance, remarked that the LAIE page U.S. buyer pondering lng on the LME. These came Government attitude was therefore, closely linked to the did not have the full support of the country produces. t it is about.

paigns, spearbeaded largely by recently displayed in the zinc pricing of the LME. This is the copper producers, because the large in the zinc pricing of the LME. This is the copper producers, because investigation last summer. The particularly true in the case of the rapid fluctuation in prices U.S. Justice Department is

buyers stay at a distance in those who are more finely tuned to that LME, the arguments against using it are that usual ones that have existed through and silver were generally and silver were generally and silver were generally dant in the U.S. during its strial development, and the producers bave ardently opposed increases was just not increases was just not a regular basis—a steady, ible, abundant accurred.

The U.S. does not produce any sizeable amounts of tin and silver traded on the Comex so in the steam and a price industry, it can take action in the form of at ake action in the form of duties and tariffs on zinc coming into the U.S. from these of its other facilities, in particular to duties and tariffs on zinc coming into the U.S. from these of its other facilities, in particular to morth buying forward for six producers.

This Government stanca only state the U.S. buyer of metals that the U.S. buyer of metals that the U.S. buyer of metals the pressures to base their price in form one company to another.

The producers could cert mainly among the producers and tariffs on zinc coming into the U.S. from these of its other facilities, in particular months undertakes to pay of its other facilities, in particular to duties and tariffs on zinc coming into the U.S. from these of its other facilities, in particular to duties and tariffs on zinc comission zinc the U.S. buyer of metals the busic undertakent for six the European zinc industry, it can take action in the form of as a price setter, producers and aprice setter, produ

should switch to dollar quota- conferences that at does not believe in CIPEC efforts to control copper pricas. The Swedes eccept the need for free trade in metals and see no better alternative than the LME to the etock financing that would be required by a price control



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there, and it appears that treatment from their suppliers currency fluctuations. The LME In West German eyes, the set is developing in the or interruptions in supply. Zinc price is hardly less LME offers e truly free market lon Metal Exchange as a Given the change in the important, although the German whose workings do not favour. Production and consumption political scene, especially in producer price for the metal either buyers of metals or their figures for the Nordic countries.

striking fact of life that no sig- exception of the German pronificant political grouping in ducers' price for zinc). the country advocates any fun-damental change in this economic order. The "social Estimates market economy," as West Ger- Although exect figures, or many call it, has proved itself even reliable estimates, are to now?

clearly seen than in the debate Antwerp. over the Third World's plans German connections with the for the strict regulation of trade LME are nearly as old as the in key raw materials. At the Exchange itself. Metallgeselfto diplomatic isolation because century, when its predecessor, of its refusal to contemplate Henry R. Merton, was one of such grand designs as the the early users of the Exchange, UNCTAD Secretariat's inte- The group is now, through its

rich man who fears that the out- per cent, interest, come of other people's Metallgesellschaft'a direct generously conceived plans would be to soak bim. Much more important is the beliaf of the City's willingness to that regulation of trade would admit foreign participants into both tie up buge sums that institutions as close to its heert could be better used, and would as the metals market when it sooner or later cause distortions was introduced in 1971. As the of prices and production worse company sees it now, this direct than those it set out to cure participation is an indispensable part of its self-protection as a point out that so far as this fabricator able to hedge, in country's trade pettern is concerned, the main beneficiaries of in the mechanism which sets the artificially fixed raw materials price of its raw materials. prices would not be the poorer been followed by either of the other two giants of the West industrialised countries which German metals sector. Preussag Sweden and the Soviet Union.

### Misgivings

In spite of these misgivings, the Bonn Government may find itself obliged for the sake of itself obliged for the sake of those who are seeking to European Community politics expand the role of the LME to go along with at least s into new fields as well as minimal compromise when the strengthening it in its present North-South Conference in Paris ones. In this connection, the finally gets down to serious dis-cussion of the commodities establishment of a futures con-tract in aluminium would be question. Little bas been welcomed, if the technical schieved so far by a joint problems of agreeing on the problems of specification up last summer to work out the besieved and metal content could be besieved. basis of a joint EEC approach,

however.

If it were left to the West about the prospects of introducing contracts for any of the solutions, the advice to copper so called minor metals, in which producers in particular, would volumes are felt to be too low. doubtless be to make better use of the LME on their own

political scene, especially in producer price for the metal either buyers of metals or their figures for the Nordic countries can as at present, diverge quite producers. Not only is the can be confusing, particularly for copper, where official statistics are because of inflation is under Government control. While the LME is thus an inseparable part of the West all West Germen companies' between refined metals and because they want a new beginning to re-evaluate their German metals business day-to-of solving some of these lems. Consequently, there is the can be confusing, particularly for copper, where official statistics do not always distinguish the cluding the increasingly insemis. Denmark, for instance, of solving some of these lems. Consequently, there is the local producers. Not only is the can be confusing, particularly for copper, where official statistics do not always distinguish between refined metals business day-to-major supply agreements, insemis. Denmark, for instance, of solving some of these lems. Consequently, there is the next control of the West all West Germen companies' between refined metals and consequents, including the increasingly instance. Consequently, there is the next control of the West all West Germen companies' between refined metals and semisional. LME prices are used for the world of the control of the west all west Germen companies' between refined metals and semisional control of the increasingly instance. Semis devices of the control of the west all west Germen companies' between refined metals and semisional control of the west all west Germen companies' between refined metals of the world of the world of the west all west Germen companies' between refined metals of the world of the west all west Germen companies' between refined metals of the world of the west all west Germen companies' between refined metals of the world of the world of the west all west Germen companies' between refined metals of the world of the west all west Germen companies' between refined metals of possible. It is a by fabricators (with the partial

by making the country ricb, impossible to come by, it seems keeping it relatively well insu- probable that West German leted from world recession, and industry is the largest single offering it every chance of con- consumer of physical metals tinuad prosperity. Why tampar transactions through the LME with something that, for West in Europe. The Exchange itself Germans, bas worked so well up has acknowledged this exo now? tremely large element in its Such is also the basis of the business with the location of West German approach to the four of its warehouses et Eurocurrent problems of the inter- pean ports convenient to the national economy, and in no West German market-Rottersphere has this been more dam, Bremen, Hamburg and

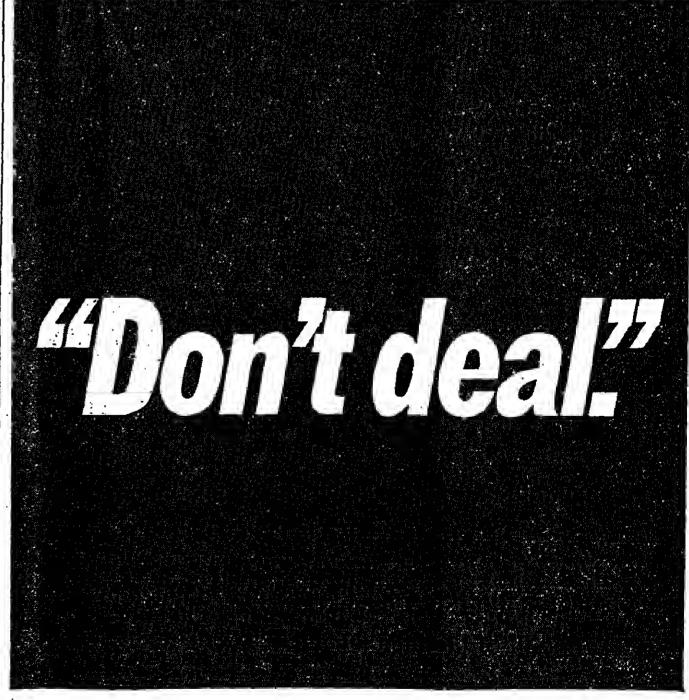
Nairobi meeting of the United schaft, the largest West German Nations Conference on Trade company in the base metals and Development (UNCTAD industry, can trace its dealings IV) lest year, Bonn came close back to the end of the past grated commodity fund or its London subsidiary Metellgesell-call for a "global solution" to schaft Ltd., a ring member of tha procest countries debt the LME—the first and so far xirden. only member with West
In part, West Germany's attl- German capital primarily betude was-and still is the hind it, in which the Japanese understands ble besitation of the company Nissho-Iwai has a 10

So far the example bas not

are also major minerala ex-in the lead and zinc markets porters, such as Canada, the and Degussa in the precious U.S., Australia, South Africa, metals sector, although both companies are of course among the major customers of LME Looking further ahead, West

German companies would probably be in the front ranks settled. West Germans tend to

Adrian Dicks



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### LONDON METAL EXCHANGE XVI

The main advantage of the LME to the metal fabricator, as W. R. Millership of BICC explains below, is its hedging facility, which enables the fabricator to avoid being exposed to extreme market conditions.

### A fabricator's view

Most important of these bene- tion to his hook. non-ferrous requirements, is to movements. establish annual contracts,

annual contracts which means monthly intervals throughout the year, and with this tonnage, the consumer is required to comply with certain pricing constraints, giving a maximum tonnage in one day, in one week and io one month.

### Consumers

for the year in question. Even with the most expert forecasting systems, it is quite impossible to guarantee that the rate of sales will match the physical declaration by one or other of because of natural disasters. Fabricator fields himself with the need to have a market librough which he can safely hedge his positions, and thus give the very necessary protec. There are endless difficulties the very necessary protects.

CONTINUED FROM PREVIOUS PAGE

copper. In 1975 production was roughly 57,000 tonnes against a domestic consumption of 94,000 toooes. Imports are around the 65,000-tonne level. Boliden im-ports about one-third of its requirements of copper concentrate at prices hased on the LME quotations. When refined metal stocks are high, it will sell on the LME, but like most Nordic metal producers it is reluctant

to iodicate the extent of its

Granges Metallverken, the main Swedisb producer of

copper and brass semi-fabricates

with total deliveries in 1975

(including aluminium products) nf 112m, tonnes makes extensive

use of the LME hedgiog facili-

tics and also used the exchange

for physical deliveries to its

works close to LME warehouses.

maoufacturer, produced 60,000 tonnes of anode and 38,000

tonnes of cathode copper last

year, while the output of semi-

products from its Pori works rose to over 36,000 tonnes. It has very little direct involve-

ment with the LME although it follows LME quotations. It

hedges from time to time but

indirectly through its own

trading contacts rather than tbrough the Ring dealers.

Nokia, whose cable division

is the largest Finnish copper

consumer, takes 15-20,000 tonnes a year. It receives part from

the Soviet Union, to which it exports cables, but also buys

through the LME. The quantity imported this way varies con-

Outokumpu, the Finnish

dealings with LME.

SCANDINAVIA

whenever it is required. The indulging in any speculation, buffer stocks, but bow many normal practice existing bebut is only seeking to cover bis people really appreciate that tween consumers and producers, positions, so be is not in any the LME can cope with enorfor the greater volume of their way exposed to extreme market mous physical stocks, and has way exposed to extreme market mous physical stocks, and has structions it receives from

tracts can quite frequently put a service to both producer and International producers set up fabricator into a position where- fabricator alike. commitments for a firm tonnage to be delivered at regular monthly interest of the terms of the con- tracts, even though be does not have sales to sover though the control of the control by he is forced to price fix have sales to cover these commitments.

to fabricators important throughout Europe and Japan. the London Metal Exchange hy a unanimous agreement, we and it is this facility which the Eastern European countries of many of the countries of and it is this facility which the Eastern European countries. London Metal Exchange pro-

supply line can be disturbed.

last decade when there has not electing to have the LME price what lethargic over, is been some sort of force majeure as the basis for its production, change towards a

give the very necessary protection which is required.

Many fabricators have their smooth flow of copper from the selling force in the field, operating from the commencement of operations throughout fabricators are complement to the customer.

It is at these times that the company which offers ring dealing membership.

It is at these times that the company which offers ring dealing membership.

It is a matter of constant throughout fabricator can complement to the LIME to actual the canonic membership.

ment of operations throughout fabricator can complement his concern to the LME to extend Knowledge any day, and obviously their stocks by calling upon the sole objective is to sell the materials from the LME ware-metals which are produced by houses.

try, the cable industry, or any other associated operation.

This means that io one day providing the facility of copper a fabricator can be faced with a financing, but warehousing, in this respect, the fabricator can be faced with a financing, but warehousing, in this respect, the fabrication and consumption of copper position where his sales greatly surance on the metal to this tors appreciate the high standard the providing and consumption of the world outside the providing the facility of copper and the providing the faci

mestic supply.

FOR COPPER fabricators is not exposed in any way, for stabilisation of the price of ket. They could assist throughout Europe and Japan, though he may be in imbalance, copper from various parts of the containing the volatility of a the London Metal Exchange pro- This would mean that it world, and the fabricator re- market thus encouraging me vides the vital "hedging" would be necessary to engage in quires stability as much as any- consumption of copper over facilities needed as protection purchase hedging on the LME, one else in the copper industry. long term, against fluctuations in prices By the same token, it is not in- The price of copper has held Fabricators are aware that conceivable that the fabricator up remarkably well, and it says is impossible to prevent speci Over many years an increas- can find himself with a situation much for the financial stability tion and are of the upinion it ing number of fabricators of whereby sales do not in any way of the LME that it can cope with no matter what difficulties p

and appear to regard the Metal market, which does not fits is the hedging facility. It should be made clear that Exchange as having a bottomin conducting these hedging less pocket. One hears much price movement, and the providing physical metal operations, the fabricator is not talk in UNCTAD circles about buyers and sellers can employed. never come under pressure or What is not generally appre- constraint of any kind, giving the supply/demand condition nsually made in October for the ciated is, that the producer con- as it does, a very considerable

The growing influence and acceptance by the world at large Hedging, therefore, is vitally of the LME is clearly illustrated But it is going to be impossing by the growing acceptance of for so many countries to res

Another advantage is that the is becoming a large international producer of copper. to Fabricators helieve strong The coosumers go to a great out five countries. From these hased on the London Metal Ex. Government interference. deal of trouble to establish their warehouses, fabricators can call change prices, while Russia, such matters, and that it tonnages and in many cases have up supplies in the event of the which is also becoming another affairs of a free." middle to operate. have an extremely sophisticated pipeline from their producer large supplier of copper, uses should be allowed to operate market research mechanism friends being disturbed. It is the LME price as its basis. Apart from the inadequate which will enable them to idensurprising to note bow often a Yugoslavia, and the new Middle of warehousing, one of the of producer, I cannot recall any year in the Cheshmeh Iran, will also be the LME may have been s

Other countries using LME cathode market. With the commitments which have been the primary producers largely prices include Australia, Spain, increasing changes in

moment, considering applica- tion, the existence of a they in building materials, or It should not be forgotten and talks have been held with been accumulated by it requirements for the car industry, or any ability to carry stocks of the other associated operation.

position where his sales greatly surance on the metal to this tors appreciate the high stan. America, currency, and exceed the pricing capabilities extent, representing as it does, dards which are called for by movement of copper across which he has, through his something of the order of the London Metal Exchange. supply contracts, and there is a £500m.

Great attention is paid to this vast experience which is a call location itself, and to security arrangements. Weighing equipment must be of the highest standards, and also there is a maturity and in the last is a call location itself, and to security arrangements. Weighing equipment must be of the highest standards, and also there is a maturity and in the last is a call times modified. requirement to know the maturity and in the last is amount of capital which the its coercine in the light warehousing company is able to

capacity is larger than its per at a fair price.

William Dulforce would like to see producers be itself, clearly illustrates the intermediate Correspondent coming more active in the mar-portance of the LME.

non-ferrous metals throughout measure up to the commitments copper in these quantities and vail, or what operation may, is appreciate the benefits which he has entered into with hold it for as long as may be introduced, there will always appreciate the benefits which he has entered into with hold it for as long as may be introduced, there will always an element of speculation in the content of the measure up to the commitments copper in these quantities and vail, or what operation may, is introduced, there will always an element of speculation in order to give adequate protection of the industry ignore this fact, and appear to regard the Metal content of the limit it is a fit in the limit in the limit in the limit in the limit is a fit in the limit in the limit in the limit in the limit is a fit in the limit in t into the market at any time produces a price every which is the result of the parts of the world, reflect

> What the fabricators do want to see is Governme interference no matter how w meaning the efforts of Uncti are, and nobody doubts the There is evidence of this in cerned in Unctad simply h the decision by Poland, which no interest whatsoever in co

world, has been built up. I its operations in the light i

has met all consumers needs. In the past, there has been One of the vehicles which to could show practically no cop- siderably from 10 to 25 per cent. some idle talk about whether trying to bring about some the wetal is actually physically the metal is actually physical phys One of the vehicles which I could show practically no copper consumption, because from year to year.

Nordiska Kabel Og Traad, the main consumer, has its wire rods produced by Elektrokoppar, the ASEA subsidiary in Helsingborg. Sweden.

Boliden meets roughly half Sweden's consumption of refined copper. In 1975 production was siderably from 10 to 25 per cent. some little talk about the metal is actually physically much needed improvement if the metal is actually physically much needed improvement if stabilising the price of copper is sche international Stabilising the price of copper at all times, when stocks are declared, the metal is available in warehouses. This stabilising the price of copper is sche international Stabilising the price of copper at all times, when stocks are declared, the metal is available in warehouses. This stabilising the price of copper is the international Stabilising the price of copper is the international Stabilising the price of the producers, and which is in the forms indicated.

The fabricators main concern applicated by the consumers about the LME is that it is But they also realise that this inclined to be over-sensitive in making its daily prices, but

ments with Canadian and Peruvian partners. It sells no zince through the LME.

Sweden is a net lead exporter. Botideo produces 40-50,000 tonnes a year but the LME is of little interest in this connection, as any surplus over domestic consumption goes to the company's German smelter. Boliden uses the LME to some extent for silver, as its refining capacity is larger than its inclined to be over-sensitive in extremely complex subject in making its daily prices, but something which will not see there is little doubt that proresults achieved overnight. How ducers and consumers alike are ever, the progress made in the making function is a fair way far taken place since June of determining a world price. Last year, has been significant important, ensures that topy in the last year, has been significant with the producers and company's German smelter. Boliden uses the LME to some extent for silver, as its refining capacity is larger than its

the basis on which the daily More and more fabricators prices are established. This, in

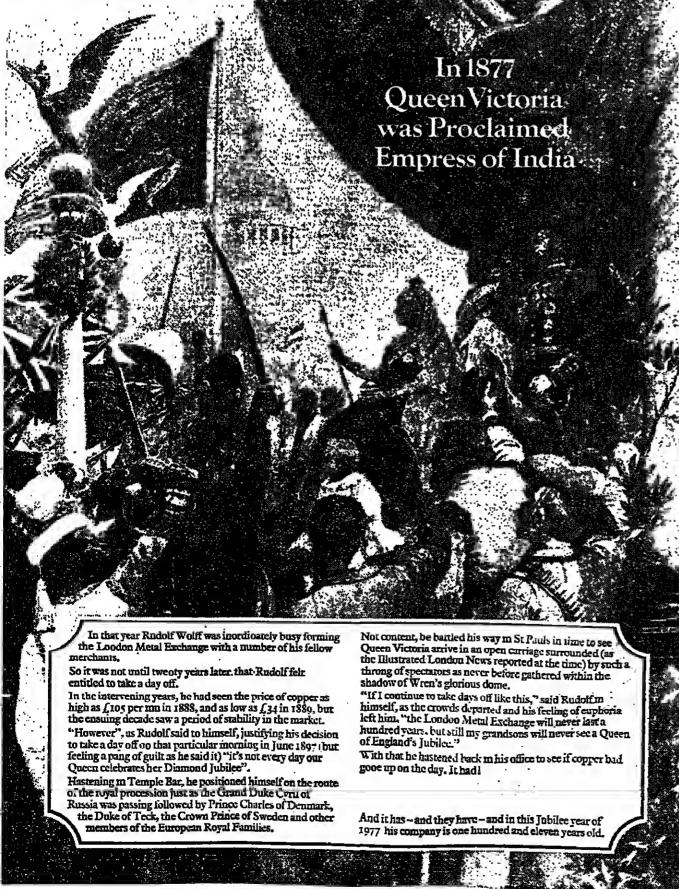
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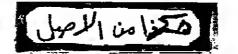
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# Dim outlook for Euro-polls

CREATION of a directly ment from its own ranks. In when the devolution con- not introduced direct elections a handful of hard-line Gaullists Netherlands, where the Governd European Parliament deed, as now envisaged, it will troversy bas swamped the legislation either, and that led by M. Michel Debré con-ment is expected to publish a sen one of the stated aims be given no specific powers be-parliamentary agends and nowhere has it yet been put to tinue to oppose it, as do the Bill soon after next April's national elactions, there are also effect ever since it was yound the meagre ones invested sharpened political sensitivities the vote. But in almost every Communists. e and ever since it was joint the measure sharpened political sensitivities the vote. But in annual every committee expected to be regional lists, ed nearly 20 years ago. It in the present 198 seat assembly, to questions of national case preparation is considerably. The French Government has expected to be regional lists, licitly provided for in the The most dramatic of these is sovereignty to a fine edge. That further advanced than in shrewdly removed another mant be due to make its y of Rome, which envis- the power to sack the Commis- can only complicate the task Britain, and the practical details potential stumbling block by decision known when it o gap. When the Govern- about a quarter or the EEC. The patience of Britain's Furthermore, Britain is the pleased the Socialists, who In Ireland, the Government of the Nine finally got budget or reject the budget alpartners is not unlimited, and only country where the fundation of the Socialists, who is already disclosed the main system could easily be rigged. y their parties merely as also adjust within defined limits the Labour Party. s for the new sssembly and bers of the Commission and the Vaying them in a formal act Council of Ministers to answer ear, their achievement was questions.

The assumption is that the neming important, if belated, new Parliament will have to

er in Community develop- draw its initial authority from the grass-roots of the European dedicated pro-Europeans, electorate. Historically, parliaagreement offers hope of ments have often succeeded in Belgium ing political momentum in creating their own power, and Denmark Community at a time when it is to be expected that a West Germany ... ther institutions are show- chamber of 410 full-time Euro- France signs of fatigue. It also MPs, each with a direct respon. Ireland . ars to enjoy broad grass- sibility to constituents, will Italy support: the latest opinion agitate more vigorously for a Luxembonrg published by the EEC com- bigger role in running com-ion finds that a majority of munity affairs than the present U.K. pean voters favour direct nominated assembly meetine for ions, even in countries like only five days or so a month.

ain and Denmark, where Late last year, the Commons ilar enthusiasm for the Select Committee concluded in Market as a whola its report on direct elections be on the wane. that the implementing legisla-

Gaulist leader, M. Jaques boundaries may be redrawn to ment. But this seems unlikely over by Mr. 1 indemans. speed with which the EEC charged with anything as the direct elections hill should the structure that must other Chirac, has given his qualified ensure a reasonable representation of the confederation of effect the confederation the confederation of effect the confederation of effect

COMMUNITY ...

the current parliament of sion, though it has never been of steering a path around the of implementation bave been opting for a system of proporthe current partial to a system of proportions of state of subjected to more intensive usual representation using publishes all representatives nominal exercised. The Parliament may objections of s sizeable part of subjected to more intensive usual representation using publishes y their parties mercily as also adjust within additional transfer of the EEC. The patience of Britain's Furthermore, Britain is the pleased the Socialists, who In Ireland, the Government page.

The Directly Elected Assembly

SEATS AND POPULATIONS OF MEMBER COUNTRIES

3.90

19.76

19.76

19.76

Seats Share %

Pop.

5.0m.

53.8m.

3.1m.

55.4m.

13.5m.

56.tm.

259.1m.

Share % member

315.750

1.95

23.96

20.77

0.t4 5.19

21.65

100

Source: European Commission.

discussion, national party lists. This has probably later this month.

the Enropean Parliament abould Irish Euro-candidates. 765,938 evantually be Parliament.

The German Government has

Joint meeting of Cabinet and Labour Party National Executive

system could easily be rigged thrust of its proposals, and it is prevent separatist movements chosen to divide the country should be divided into Socialist Parties of the EEC. In Brittany and other regions into four constituencies, with a with Brussels as a separate are working on a joint Eurotion at the European level. Pop. per tion at the European level. also proposed that citizens of member Thongh it is envisaged that other EEC countries resident on the electoral system used for its soll be permitted to vote for the electoral system used for its soll be permitted to vote for the Erropean Particular Particular

Percentage Swing Towards Direct Elections TWO OPINION POLLS MADE FOR THE COMMISSION

	September, 1973			November, 1976				
	<u>.</u>	Against	No com-	Total	For	Against	No com- ment	Total
Luxembourg Italy Germany Netherlands Belglum France Iretand U.K.*	67 74 69 62 52 51 45	16 14 18 3t 49	21 24 19 22 84 31 24 18	100 100 100 100 100 100 100	77 76 74 69 69 63 57	9 . 8 . 19 . 11 . 9 . 13 . 14 . 22 . 37	14 15 14 15 22 18 23 21	100 100 100 100 100 100 100 100
COMMUNITY+	<del>36</del> 		21 23	100	69		17	100

\* 1973-Not including Northern Ireland.

† Weighted average.

Source: Europeon Parlinment.

physical strain of exercising a The Liberals established a barmonised The two Continental countries dual mandate suggests that Federation of Liberal and Demothe Community, where legislatinn for direct most will not. It is widely craic Parties last March. This 205.733 each country is free to choose elections faces the greatest unacknowledged that if their group embraces 13 parties its own methods for the first set 59,500 of electiona. Five countries— gium. The Danish Government vance to political problems in philosophy. The British Liberala originally suggested that the EEC, ways must be found in particular find many of their country might be musble to take to enable them to retain links. Continental colleagues, including the Giscardians, rather too tands—already use forms of proportional representation based on party lists and will extend this system to the new first elections.

Country might be made to take to enable them to retain links. Continental contragics, including the first elections with their national parliaments, ing the Giscardians, rather too with their national parliaments.

A variety of prossibilities are conscripting to being studied: in Britain the being studied: in Britain the being studied: in Britain the political groupings will have been commended by the problem of the problem the creation of a "Grand Com- to solve Thorny problem

in the series of the continuing failure in t

ly the participate, Britain. There is some sympathy in the control of the Community. The sympathy in the risk of being blamed other European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the EEC presidency provided the new Parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the expense of the EEC presidency provided the new parliament favour regional lists, though for would give Belgium its maxi- grouping committed to European capitals for the occupies the expense of the EEC presidency provided the new parliament favour regional lists, though for would give Belgium its maxi- group favour group for the occupies the expense of the e other European capitals for the occupies the first provided the new Parliamant favour regional lists, though for would give beginn its maker grouping committed to Elico ment of the Committee. It is recognised that it is recognised that it is unfortunate that sharply into focus.

Gaullist leader, M. Jaques boundaries may be redrawn to ment. But this seems unlikely over by Mr. Tindemans.

Gaullist leader, M. Jaques boundaries may be redrawn to ment. But this seems unlikely over by Mr. Tindemans.

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Gaullist leader, M. Jaques boundaries may be redrawn to ment. But this seems unlikely over by Mr. Tindemans.

### Letters to the Editor

blgber insulation standards against decisions which they feel through building regulations can are not being taken in their active energy savings. The interests. That is the perfect formula for perpenualing the fact that it would be supported formula for perpenualing the hybrick and timber interests very real deadlock in industrial indicates that early implementation should be possible.

The price which provides a fair it would be possible.

The price which provides a fair indicates that early implementation should be possible.

The price which provides a fair indicates that early implementation that Britain is suffering to should be possible.

The price which provides a fair indicates that early implementation that Britain is suffering to standards against decisions which they feel interests. That is the perfect formula for perpenditure to formula for perpe fortuitous bowever, is the il with which this immense eque from over-the-counter enue from over-toe-countring bas been won. It is a cet reflection of the buying lity, the presentation, and the numercial expertise of the disbutive trades in Britain.

Whether they are the very ge, the Marks and Spencers, rrods, or creat Oxford Street res, or whether they are tha aller shops and houtiques they nonstrate the quality of a vice trade which employs 1.8m. people in Britain, a de in which Britain to-day is

the establishment of an ency for the immediate collec-m and recycling of waste? ich an agency employing "nn-iployed" would not need to ake a "profit" since it would creating wealth. istair Russell. , Rovenscroft Avenue, N.W.11.

### Insulation standards

rom The Director, mbcr Research and

### Make people

gression?

Wealth

Mr. A. Russell.

Sir.—The letters from Mr. ic Ambrose and Mr. L. W. idwin on epergy conservation ebruary 11) bave one employment ebruary 11) bave one elmport point in common—an appeal unity. Mr. Baldwin wants a protect to be sis: Mr. Ambrose calls in immediate European unity d raises what some will see a political issue—the conserium and recycling of waste but failed.

Such powers through Parliament, but failed.

I suggest therefore that it to a married couple.

I suggest therefore that it to a married couple.

I suggest therefore that it to a married couple.

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I suggest therefore that it to a married couple.

I suggest therefore that it to a married couple.

I suggest therefore that it to a married couple observant was underpaid spassengers have to pay for all by comparison with simular jobs in the couple and transfer control on to the trains, as in Switzerland. The ratios, as in Switzerland. The collection of the ratios of the ratios of the ratios of the

rliament trrespective of party against-the-grain Socialist dogma epared to stand up and call has to he axed in bard times.

Paul Yerbury. P.O. Box 1632,

From Mr. P. Brooke

### Composition of the Board

Sir,—By pointing out the exceptional process that Bullock exceptional process that Bullock proposes for the appointment of full-time union officials to his "2x and y" boards, Mr. W. Pickering (February 12) only underlines the point that Bullock is in general against to evolute them

### fines

oducts.

No doubt Mr. Benn will tell it a not worth while "cost-sc." But the lerm is a function of currency, a yardstick Britaio's wealth? Britaio's wealth? Britaio's wealth? Britaio's wealth? Britaio's wealth? Penn managed this in Russia last year paying 100 per cent. the barvests in Even the barvests in. Even the against-the-grain Socialist dogma.

Are there no Members of most you will find the passengers and those wishing to upgrade to first class for an additional fee of 50p over the booking office price. A power the booking office price. A price dent exists in that second for the beautiful first must pay recedent exists in that second for the beautiful first must pay recedent exists in that second for the booking office or travel first must pay recedent exists in that second for the booking office or the booking office

deserving cases. A. H. Scott. 162, Beeches Road, Chelmsford, Essex.

Civil Service

and his department for much information, who again are all information, who again accurate civil servants and 1 also believe the comparability is made over the limited s field mainly consisting of the larger and more sisting of the larger and more sistences. financially successful companies

The comparability must not only be fair but must seem fair and when it again gets to work lat the moment its activities are lat the moment its activities are suspended) I suhmit and hope it will be reconstructed with an independent chairman and its membership should not consist wholly of civil servants but include personnel officers employed in the commercial world. In particular the value of the Penaions (Increase) Act 1971 should receive special attention prosperous

From Mr. A. Scott.

Sir,—I read Mr. Stern's wholly of civil servants but include personnel officers employed in the continental system of on-the spot fines for lare evasion and a marginal taxes payable in the U.K. can be demonstated as follower.—A married man earning f4,000 per annum pays lax uffer fillower.—A married man earning f20,000 is fillower.—A married man earning f20,000 is fillower.—I wholly of civil servants but include personnel officers employed in the commercial world in particular the value of the spot fines for lare evasion and spot fillower.—I wrote to the British Railways as should the value of the board on this subject and it replied that it was not for want of trying that it does not do it, but because the courts in that U.K. say that it, over 10 times as much, namely £20,000 ger annum, he pays £10,686.25 while if be earns five of trying that it does not do it, but because the courts in that U.K. say that they alone tan lavy fines. BR also tried to get such powers through Parliament, but failed.

What incentive is there for an entrepreoeur to risk his capital to offer anylowers through Parliament, but failed.

The membership should not consist wholly of civil servants but in particular the commercial world in particular the value of the bould receive special attention as should the value of the beautiful particular the value of the penaions (Increase) Act 1971 should receive special attention as should the value of the bould receive special attention as should the value of the bould receive special attention as should the value of the penaions (Increase) Act 1971 should receive special attention as should the value of the bould receive special attention as should the value of the bould receive special attention as should the value of the bould receive special attention as should the value of the bould receive special attention as should the value of the bould receive special attention as should the value of the penaions (Increase) Act 1971 should receive special attention as shou

and sleeper reservations. Indication would be given of the clerk's presence. London Transport would keep its barriers, but charge the fees for surcbsrging en route.

We must not be uncharitable and station managers would he able to authorise a refund of all but 50p of fees charged in deserving eases.

that the deduction made from Civil Service pay to take account of index-linking of pensions is inequitable; unless be detects a degree of inequity in the practice of making current civil servants pay most of the cost of the increases paid to their retired collargues. The adjustment made is the full sum, actuarially assessed. How else would any scheme assess s con-tribution rate that a private individual would bave to make taking into scrount tha differ-ence in the benefits between the Civil Service scheme and outside schames?

I did not attempt to give a full explanation of the way in which the Government Actuary SIr.—I should like to support general anxious to exclude them.

In this plea for improved insulation and and ards in dwellings; this a subject which TRADA has it on the hoard (in the way in the brought to the attention which insane people are exiten brought to the attention which insane people are exiten brought appropriate authorities—cluded from sitting in Parliation to the day and conditions of the Civil Sarvants including the equivalent benefits.

The U-value of 0.6 which Mr. As for parity of worker and adwin says can be achieved shareholder appointed directors. Pensions (Increase) Act 1971

As for parity of worker and characters which are enjoyed by no (repeat touchon, S.W.L.)

### To-day's Events

year).

# Included a series of the cost is ably deadlock would mean lines. The weather in the responsibility of closer possibility of closer p

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### COMPANY NEWS + COMMENT

### Bath & Portland jumps to £3.25m.

ment of the construction in-dustry, second half profits of the Bath and Portland Group ex-panded from £1.31m, to £2.17m., Co. pushing the total for the year ended October 31, 1976 np to a record £3.25m., compared with £2.09m. for 1974-75.

And although prospects for the Cable Trust current year must be over-shadowed by the same conditions Canning (W.) the directors foresee the growth

in profits contiouing. Christian Salves
A divisional analysis of profits
before interest—55.19m. (£3.17m.) Dixon (David) -shows that building and civil engineering contributed the targest increase, rising from £1.03m. to £2.53m. Minerals and engineering were both ahead at Gresham Life #0.94m. | 190.5m.) and 10.87m. Gresham Life 190.61m.1 respectively, while the Haggas (John) agricultural side showed downturn from 11.02m. to £0.87m.

		1917-75	1974-71
•		•	£
	Turpaver	66,6.4.000	54.14S.000
	Trudica profit	6.743.475	4.481.737
	Pepromation .	2 761 240	1.305,474
•	Interest	1.9.0.674	1,083,771
•	Pre-tax prefit	3,253,498	2,069,566
	Taxation	662.277	-
	Net profit	2.391.257	2.089,368
	Profit property disposal		_
	fieb. redemption surplus	f1 544	_
	inority less	-	L.:140
	Tax whiten back	4.117.642	3 PM 374
	nappropriated .		6 944,423
	Assets per shar	e at Ih	e zear

Both and Portland Group has emerged from 1976 in a better than expected shape, given the late payment problems it faces on its huge franian road project and five culback in its U.K. civil culback in its U.K. civil culback in its U.K. civil inspection order hook. Pre-tax profits are 5A per cent, ahead on a 25 per cent, growth in turnover. Around half of the II.2m, improvement in pre-tax profits has company is long and general coomercial skills come from overseas, with Nigeria, adds that it bas compellitive profits on the civil continue in special profits on the civil continue from provement and its liquidity of the uncertain economic outlook, late of the uncertain economic outlook, late of the uncertain economic outlook. Stated éarnings proved to 3.24p.

INDEX TO COMPANY HIGHLIGHTS Col. Co. Aaronson Bros. Hazlewoods 33 Investors Capital Macpherson (Donald) Meldrum Investment Christian Salveson Morris (Herbert) Prudential Evode Holdings General Consolidated

and the new chemicals interest incurred a loss of £23,000.

There is a tay charge this time of £25,000 and to the net profit in interest charges of £0.85m.

There are added, credits of feasibility for interest charges of £0.85m.

There are added, credits of feasibility for interest charges of £0.85m.

Ilhere are added, credits of feasibility for interest charges of £0.85m.

Ilhere are added, credits of feasibility for interest charges of £0.85m.

Ilhere are added, credits of feasibility for interest charges of £0.85m.

In interest charges of £0.85m.

The company is a manufacturer and fabricator of fused quarts ar

-	Turnover 3.904 6.925	6407 600
		LOSE TTOP (AT 10 TAMA) I
C		The net figure was w
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Ц	Airl profit 864 425	£315,627 tn £606,672, after
d	Tividence 320 134	£384,273 against £339,526.
₩.	Related	
u	repaired	1974
x	He says that the company is	1
		Gross reveaue 1.153.957
П	in better shape non than at any	
_	time in its bletons, and that the	Franked disg. and iol. 689,6:1
	time in its history, and that the	
3-	company is improving its market-	Admin, caprases 38.014
S	ing and general commercial skills	Interest 136.993
٠.	and manufacturing processes. He	Pre-tax revenue 775,745
		T-Watten 1904 445
٣.	adds that it has compelitive pro-	Net revenue 606 672
•		The leavening Alle his

The Master Stockholder.

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department store.

tinal dividend of 2.1p nel (1.6p) li(is the total for the year lo 3 in (2.5pt. At the year end the nel asset value per share was \$7.5p 180.5p1 or \$7.5p (80.7p) fully diluted.

### **Progress** for W. Canning

THE UPTURN in profits for the first six mooths of 1976 was maintained durion the second half, for electrical and mechanical engineers, W. Canning, resulting

the property of the property o days find by the filam, capital expenditure present the filam capital expenditure present present present the filam capital expenditure the filam capital expenditure the filam capital expenditure the filam capital expenditure present the filam capital expenditure the filam capital expenditure the filam capital present expenditure the filam capital present the filam capital present the filam capital expenditure the filam capital present th

154.277 606.672 15.630 595.042 587.436 25.326

# O. C. Sommers .....int. Nil - 1.5 - 30. Thermal Syndicate ..... 25 - 1.51 6 2.51 Dividends shown pence per share not except where otherwise stated. Equivalent after allowing for scrip issue. On capital increased by rights and or acquisition issues. Gross total.

Sir Kenoeth Selby, chairman of Bath and Portland.

DIVIDENDS ANNOUNCED

Date

Apr. 2

April 1 Mar. 28

Corre-

£525,000) leaving the oet balance

12525,000) leaving the net balance at £714,000 (£377,000).

The spinning division made a further substantial increase in profits during the first half. Better margins on export sales, improved quality of raw materials, and higher productivity due to selective tovestments contributed to this, say the directors.

cresse, but the outlook is good, and the new factory will comave already been received for this factory, they state.

The current market value of

the company's holdings in Govern-

other textile companies have been struggling. But the shares are up al the 325p tevel primarily because of hopes that a way will be found to repay the £6m, worth of gilts 1290p per share; to share, holders. The maximum yield is mere 18 per cent. Statement Page 35

### Summers £0.42m. deficit

TURNROUND from a pre-tax

مكفامن المرصل

# Downturn at

Dixon and Son Holdings with a fall of £28,000 to £93,000 for the six months to October 2, 1976. This followed on a second half

a profit of £80,000.
The directors state that since March 31, 1876.

An analysis of profit and sales share are shown to be lower at for the first six months shows, in 2p 12.64p) and the interim division; spinning fi.121 (f743) and deed is held at 0.875p net. Last 53.253 (f44.67); knitting f182 year payments totalled 2.3722p. (f280) and f2.587 (f1.976); fur. After tax for the half year of fahrin f184 12179) and f1.669 f48.000 (f63.000); the net balance came out at f45.000 (f38.000). Sales were up f0.42m, at f4.01m. The company recently sold the Martins foctory for f175.000 the number of the runoing with a 5t per cent. Sales were up f0.42m, at f4.01m. The company recently sold the Martins foctory for f175.000 which shows a substantial profit over book value, say the directors. The hosiery subsidiary A. G. Minard and Sons bas been cut out a good section of the market and should do well once rationalisation programme and

However, the knutting division is soid.

still a problem and profits there. Negotiations for the settlemen bave falled by 35 per cent. of the debt of £710.025 owed by and continues to accrue, and secondly to waive its right and entitlement to all dividends declared by David Dixon since

that date and until the debt is

paid or seltled. comment

surplus capacity bave made for a dismal trading performance by dismal trading performance by Havid Dixon in recent years and the six months to last October were no exception. But prospects three times the terel of iast year the wool cioth side has revived not come through until the fire financial year, but meanwhile pre-tax profits could approach £200,000 this year for earnings per share of 4.5p. The current share 15190,000. including a non-recurring several stakeholders. At 38p the toss in respect of Envit of E80,000. shares do not look attractive on They hoped for an improvement trading grounds, but not assets in the second half.

For the first six months the loss ing possible repayment of the per 25p share was 9,552p (earn Bank Bridge debt and nuderings 3,176p). There is no interim valuation by 20,4m. (18,5p per dividend compared with 1,5p ner sharet or more of the properties. Last time—dividend total for 1975. The maximum yield is 10.8 per cent.

### ISSUE NEWS

### Bamfords £0.72m. 1 for 2 rights

Bamfords, the agricultural tributors of agricultural machinery group, is proposing a machinery group, is proposing a in Europe and it is 252,0000 rights issue which is increasing proportion of agricultural machinery group, is proposing a in Europe and it is 255, 252,0000 rights issue which is increasing proportion of agricultural machinery company over to Fredk. II. As it seems likely that the basis of one-fortwo af a price of the basis of one-fo

sbareliniders.

Though Bamfurds had looked at other methods of raising the life report and accounts in life report and accounts in difficulties of raising that amount, a considerable increase on top of an equity base in the comparable period, and the problems of just firm, and the problems of getting it undersecounts of just firm, and the confract for the supply of problems of getting it undersecounts of just firm, and the confract for the supply of guilder by anybody else but to the Middle East worth a mum of E3m.

There already is a trading link The annual meeting a between the two companies, for for Friday, March 4.

Burgess is one of the largest dis-

### Yearlings at 12½%

The coupon rate on this week's City of Northigham batch of local authority yearling bonds has risen from 11; per cent at par to 12; per ceot issued at £99; The bonds are due on February 22, 1978.

This week's issues are:— London Borough of Enfield (£1m.), Buckin Borough of Enfield (£1m.), Italy no Borough of Enfield (£1m.), London Borough of Enfield (£1m.), London Borough of Rarnot (£1m.), London Borough of Newham (£1m.), City of Eastbourne Borough Council (£1m.), London Borough Council (£1m.), North Wiltshire (£1m.), Lanark District Council (£1m.), Ashleid (£1m.), City of Sautham District Council (£1m.), Ashleid (£1m.), City in Southam District Council (£1m.), Mansfeld (£1m.), City in Southam District Council (£1m.), Mansfeld (£1m.), Cheming Council (£1m.), More Council (£1m.), South Fireford (£1m.), Radnor District Council (£1m.), Rorough of District Council (£1m.), London and Lauderdale District Council (£1m.), Left. Council (£1m.), London and Lauderdale District Council (£1m.), Left. Council (£1m.), Lef

There is nothing surprising in The net revenue figure the 87 per cent, jump in pre-tax struck after tax of figure profits from Herbert Morris, (£398,4281. At year end net because the group had already value per share was up at forecast as much last December (98.8p), or 111.1p (98.9p) in defiance against the bid from diluted.

### There's one London bank that really understands Eastern Europe

The Moscow Narodny Bank has the experience, the knowledge and the connections that are essential for East-West trade to flourish.

Moscow Narodny has been an integral part of the City of London since 1919 and today enjoys very close: relationships with Central and Commercial Banks in the USSR and other East European countries.

The bank's unrivalled experience in the tipance of East-West trade makes it the ideal choice for any company or organisation entering this highly important area of world commerce.



### Moscow Narodny Bank The bank for East-West trade

24/32 King William Street, London. EC4P 4JS Branches in Beirut and Singapore Representative Office in Moscow

TOTAL ASSETS EXCEED £1,200,000,000



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the corner" can hardly offer all that.

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We're also handily placed for the motorway network

and we run a fleet of over 50 vehicles to back up our delivery

So you see, in product availability terms, we're just

Good service.

round the corner too!

Keen prices.

best features of a big department store.

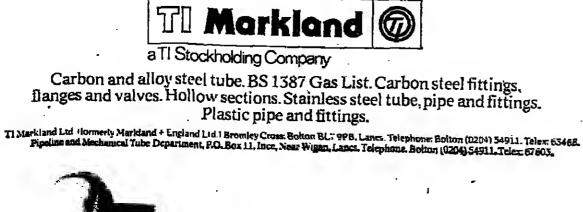
Huge stocks. Wide range of

products.

promises.

range of sizes.





Investments benefits come

### The Financial Times Wednesday February 16 1977 **Overseas profits boost** Macpherson to £2.7m.

ision of Unerman Holdings, fired in September, for one th, in respect of which sales ision of Unerman Modings, ired in September, for one th, in respect of which sales overseas unted to 20.86m. and profit 200 Group sales for the year unted to 240.08m. (232.01m.). Depreciation with a full Taxation. 's contribution from Unergard for the year and the sales of the directors. A further increase in profits earnings per share is experienced, state the directors. Fur Extraordinary liems: year to March 31, 1976 Uner-

Trust

### Confidention Trust

### Confidention Trust

### Comment

##

40,984 \$2,008 \$1,815 \$5,694 \$1,550 \$2,551 \$2,051 \$2

### RECENT ISSUES

. <u>:</u>			_·:	EQUITIES	·	<u> </u>	
Of fix tox	Aginia: Petil Up	Renunc. Bale	1976/71 High Low	Stock	Closing Price	Div.P.pi	Liron Yield P.A.
· · · · · · · · · · · ·	F.P.		5112 488 1 488 07754 07754	Amaigamated Stores, Harrisous Maley S. Light men W. Truman. Timelue. Sha. of ComSi	500	-12 F4.0	- 9.2 - 2.6 2.7

### FIXED INTEREST STOCKS

Amount Pald III	Hennie.	1376/7 Algti   L		Stock	Utdestor.	1-1-
0 F.P. 0 F.P. 0 F.P. 0 F.P. 0 F.P. 0 F.P. 1 P.P. 14 F.P. 15 F.P. 16 F.P. 17 O F.P.	111111111111111111111111111111111111111	9978   99	19 19 19 18 19 19 10 14 10 14	Attent Foods ( & Conv. 1-21/24) Agric. Mort. 12g Bda. 1878 Agric. Mort. 13tg Bda. 1878 Agric. Mort. 15tg Bda. 1874 Agric. 1874. 1885 Bda. 1874 B	9912 9914 993 101- 1025 3214 185 1134 1412 82 9101	-18

### "RIGHTS" OFFERS

A Brount	Lated Renunc. Dates	1974/17 High Low	thoek	Closing trices
.75 ntl 14 \$4.2 2.2. nll 1.7. P.1'. Op F.P. Op Nil	15/3 29/3 t2,1 5/2 5/t2 17/12	140 160	ANZ.  COURSE Hill Props.  Charles Hot L.  Eller Hot L.  El	29 595 -19 128 100 -1 200

# Advance for the year ended September year's immedia. 30, 1976 pre-tax profit improved from £1.82m. to £2.36m. after being up from £0.9m. to £1.4m. at halfway. And the first few months of the current year already show a substantial increase in profits over the previous comparable period. Subject to unforeseen circumstances the group should continue its growth and report a further material increase this year. Agentism To Bredging Malaysia Mar. 3 there material increase this year.



the current rating of the cheres at 32p where the yield is 6.0 per cent. and the p/e is 5.9.

### Ramar reaches £0.13m. after six months

Turnover at Ramar Textiles Increased from £2.77m. to £3.35m. in the half year to October 31, 1976 and profit improved from £74.202 to £134,800 subject to tax of £70,095, compared with £39,795. The directors report that year-end results should be consider-elly better than last year's

Statement Page 35

BIDS AND DEALS

These together with some

773,600 shares which Racal pur-chased pursuant to its offer which

expired on February 4, 1977, amount to about 48 per cant of

Milgo's outstanding common stock based on 1,176,595 shares outstand-

ing as of February 9 last.
Racal's current offer is scheduled to expire on February 16 at 10.00 a.m. New York City time unless extended. Withdrawal rights with respect to the current offer will also expire et that time.

Applied Digital Deta Systems inc. last announced thet 503,000 filter observed by the present tendered will be the systems in the course of the source of the systems of the course of t

## to Aaronson Bros.

ľ	veneers and chiphoan	1.	
5		1975-76	1874-7
õ		9000	<b>£008</b>
	Green sales	21.570	27.76
è	Trading profit	2.338	1.81
3	Share assoc.	21	
	Prefit before tax	2.399	7.20
	Tax credit	-88	10
	Ner profit	-439	1.16
,-	Minority helders	218	11
e		9.221	95
	Attribulable	377	2
٠,	Extraordinary debitet	130	13
s	Preference Orticents	=	
~	Ordinary	342	31
•	4 4-4 Breez Amon marries	on in p	reviou
r	years. 1 Charge. 2 Aris	subst	anelali
2	from closure and relocation	of pro	Aneric
	Trom Clubure and I care	- GE. P	

More Milgo shares for Racal

SMURFIT PAYING

£3.2M. FOR REST

OF TIME INDS:

A 30 per cent increase in pre-tax profits from Aaronson Bros. fully lives up to outside estimates, with chipboard production becoming more competitive against ordinary wood. Despite setbacks in bousebuilding, Aaronsoo has held its positioo (a 22 posterday for Investors Capital per cent. sales increase) with Trust were historical. They were demand from the DIY market implemented in February 1874 bolding up very well and sales and the review period to Novemto the furniture market at sure ber 30, 1976 was the second tull prisingly high levels considering year of operations under the new the background of poor consumer investment policy.

Spending. Undouhtedly the company's own rationalisation programme has been instrumental methoded dividend total is 1.2p net in improving the margins with per 25p shere compared with 1p some £5m, of capital expenditure the previous year.

Mr. Joho Chleoe, chairman tells members in his ennual state-figures and the share price volament that revenue in the current tility—more than doubled since year is expected to rise appreciast October—has reflected conciledly and to allow the possibility

BLED profits from overseas tribution coming from exchange fact that following the Unerman NOW THAT the largest prosport successes gains. Companies is Malaysia, acquisition gearing must have gramme of expansian ever understoops and export successes gains. Companies is Malaysia, acquisition gearing must have gramme of expansian ever understoops and export successes gains. Companies is Malaysia, acquisition gearing must have gramme of expansian ever understoops and export successes gains. Companies is Malaysia, acquisition gearing must have gramme of expansian ever understoops and export successes gains. Companies is Malaysia, acquisition gearing must have gramme of expansian ever understoops and the profit taken by Aaronson Bros, has been the following the funds, have to a large of perhaps 50 per cent, the completed at a cost of more than the following the following the following the Unerman NOW THAT the largest production of the following the Unerman Now That the largest production of the following the Unerman Now That the largest production of the following the Unerman Now That the largest production of the following the Unerman Now That the largest production of the following the Unerman Now That the largest production of the following the Unerman Now That the largest production of the following the Understoops in the following the Understoops in the following the following the Understoops in the following the following the Understoops in the Soct State of the Cost of

### **24%** rise at Cable



Overall market share again increased

in his circulated statement to shareholders, Mr. W. G. Hanson (Chairman) mede the following points:—

- Turnover is up from £6.7m to £8.2m and Profit before taxation and extraordinary items from just under £1.3m to just
- Sales by volume of our own brewings abow e slightly lerger percentaga increase than those for the country es a whola. A largo increase in lager sales resulted in our overall market share egein increasing.
- We are engaged upon long tarm plans for axtending our brewing capacity, both to increase the output of our traditional beers and to be prepared to brew lager and/or keg
- Our liquid position is e strong one. We have the cash eveilable for development and have stood by our policy of daveloping within our own strength without the need to horrow.
- Wa can hardly assuma current aconomic stringencies will not soon begin to bite into our customers' spending power; nor can we hope for a third successiva summer like the last two. Yes pur trade for the first three months of the current year matches that of last year.

### HERBERT MORRIS LTD

### **Summary of Results**

Year ended 31st. Oct. 1976

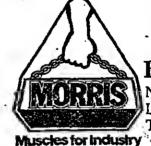
		Comparative Figures			
	1976 £000's	1975 £000's	·1974 £000's		
Turnover	28,521	21,281	14,401		
Profit before tax	2,165	1,155	316		
Earnings per ordinary share	34,1p	14.1p	3.8p		
Dividends per ordinary share	10.0p	6.0p	_		

As previously announced, the dividend of 10p has been approved by The Treasury.

- The Group has achieved a significant improvement in profits. Benefits are now accruing from the substantial capital investment programme of the last two years.
- Two takeover bids have absorbed management time and not been welcomed by the Company's employees.
- Orders in hand at the year end were lower than last year due to Government expenditure cuts and a slow down in world wide investment.
- Further profit growth is expected in the current year.



Patrick W.Robinson



**Herbert Morris Limited** 

North Road, Loughborough, Leicestershire.

Telephone: 0509 63123.

### CANINING

Highlights from Chairman's statement for the year ended 3ist December 1976

- Sales and profit margins increased in a difficult year
- Maximum allowable dividend to be paid-dividend increased in every year since 1966 except when prevented by legislation
- \* Major capital expenditure programme will result in cash balance being replaced by overdraft at the end of 1977. The Company has ample financing facilities
- \* Further progress expected in 1977 with increased orders for Engineering activities and increased penetration into export markets for speciality chemicals and polishing materials
- deduction of £9,000 as a result of adopting Statement of Standard Accounting Practice Number 9. The effect on the 1976 profit is an increase of £3,000

SUMMARY OF GROUP RESULT	1976 £'000	1975 £'000
Sales	24,099	20,517
Profit	1,244	954
Taxation	656	487
Extraordinary Profit (1975-Loss)	32	35
Profit attributable to Stockholders	620	432
Dividends on Ordinary Stock	341	310
Profit retained	279	122
~	PENCE	PENCE
Earnings per Stock Unit	5.4	4.3
Dividends per Stock Unit	3.157	2.87

### W. Canning Limited

\* The 1975 profit of £954,000 is after a

MARY OF GROUP RESULTS	FOR YEAR	•	
	1976	1975	1
	₹,000	£.000	ŀ
	24,099	20,517	-
	1,244	954	1
	656	487	}
fit (1975-Loss)	32	35	
to Stockholders	620	432	1
Inary Stock	341	310	1
	279	122	1
~-	PENCE	PENCE	
k Unit	5.4	4.3	. [
ck Unit	3.157	2.87	-

ENGINEERING

has purchased the drawings, designs, stocks and work in pro-gress of J. W. Greer, which went into voluntary liquidation in July 1976. The acquisition is an exten-sion of Simon Engineering's business in the bakery and confec-tionery machinery sector in which it has been active for many years through Simon-Vicars.

Racal Electronics announces of the following chares in the W. and P. have acquired the that; pursuant to its current offer company: 425,830 capital shares, fixed assets and stocks less for Milgo Electronic Corporation, 128,063 meome shares and 53,229 related liabilities from Progress of 336 a share, it has been advised Preference shares on January 27. and the heriteble property from that about 50,000 shares have been leadered.

SMURFIT PAYING

ments. ments.
The total consideration is CLS.734 cash.

OF TIME INDS.

Jefferson Smurfit, the Irish for the year to January 31, 1976 packaging, printing and distribution group. 1s to acquire the outprofits has taken place since and standing 43 per cent. of Time it is expected that the acquisition industries inc. of Chicago for a will enhance the W and P eash total consideration of \$5.5m. and carry operations in Scotland. Time, which makes plastic and corrugated containers, showed a 27 per cent. increase in turnover STAVELEY/GEORGE

will also explice at that time.

Applied Digital Deta Systems luc. last announced that SOS,000 Milko chares had been tendered to it.

SHARE STAKES

The Consideration accepted for the outstanding shares ranged from \$8 to \$9 cash a share; part wholly unconditional and remains of the consideration is to be paid over five years at approximately interest of 27 per cent.

Smurst has been advised that Time from 48 to 51 per cent. last Edward Bates and Sons (Holdings) and its subsidiaries disposed

WERU/JOHN

STAVELEY/GEORGE

SALTER

Acceptances received by Staveley Industries in respect of its offer for George Natter totalled 98.2 per cent. of the Ordinary and 91.3 per cent. Of t

Meru Group is to acquire 51 ment consulting group. A stateper cent of the Ordinary shates the preliminary discussions
of pottery manufacturers John between the two groups had been
Maddock and Soas and has terminated.

Maddock and soas and has terminated.

NO PROBES

Intrained an option to ecquire the halance.

The consideration will be satisfied by allotment of 200,000 Meru sheres. The balance may be ecquired under an option exercisable hy April 30, 1980, for a Trust Co., Argn Croup and ecquired under an option exercisable hy April 30, 1980, for a Trust Co. with LET International and The Antofagasta (Chill) and greater of £100,000 and 49 per cent. In three and a half times the pre-tax profit of Maddock for the accounting year last completed before the exercise of the option. Meru will also offer for the Preference shares if it exercises the uption.

The acquisition is part of the programme planned by Meru for the creation of an Anglo-American pottery group with menufacturing capacity on both sides of the Atlantic.

Net assets of Maddock et 2,585,000 (21 per cent.) and by January 31, 1976, were shout Estantia Ure and Partners of £240,000 but losses of about £55,000 the purchase of 35,000 shares investing the number controlled but and the purchase of 50,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares investing the number controlled but and the purchase of 35,000 shares in the purchase of 35,000 shares investing the number controlled but and the proposed mergers between the proposed mand co.; Argn Croup and Staveley industries and George Staveley industries and Go.; Argn Co.; Archoup Staveley industries and George Staveley ind

were incurred for six months to creasing the number controlled
July 31, 1976.

SIMON FOOD

FNGINEERING

Were incurred for six months to creasing the number controlled
by Mr. and Mrs. B. C. Owens to
710,000 14 per cent.). Mr. Bernard
Owens is chairman and managing
director of Unochrome.

Simon Food Engineering Group PLANTATION HLDGS.
as purchased the drawings. Imhof-Bedco, the light esigns, stocks and work in pro-Holdings, hae acquired, from prvate interests, the whole of the capital of Cranleone, Nuneaton, precision engineers, metal fabricators and toolmakers, for f150,000.

through Simon-Vicars.

A new company, Simon-Greer has been formed with its HQ at Earlestown, Merseyside.

WATSON & PHILIP

ACQUISITION

Watson and Philip, the Scottish food distributors, have ecquired, with effect from February 14, 1977, the cash and carry trading operation previously cerried out at Clydebank by Progress Cash and Carry.

Hedderwick Stirling Grumbar purchased on February 11, 5,000 operation previously cerried out Earver Group Ordinary shares et and Carry.

the commercial flair

### The property survey that provides more than just statistics



Nigeria

Total emoluments up to £50,000 p.a., consisting of a high basic salary and profit sharing incentive scheme, are offered for this Lagos based appointment; it carries the full profit responsibility for the trading and manufacturing operations of a Nigerian company which is part of a major British multinational group. 7-figure profits are currently earned by this subsidiary and the successful candidate will be charged with the responsibility for the further profitable expansion of the business. There is a wide range of fringe benefits and there are long-term prospects within the Group.

Candidates, aged 38 to 45, must have relevant overseas experience covering consumer, industrial and capital goods, gained preferably in West Africa.

Please send relevant details -- in confidence -- to J. M. Ward ref. B.41306.

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We are currently expanding the Commercial and Local Authority Sections of our Sterling Department and have vacancies for experienced personnel in these particular fields.

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> The Secretary, Harlow Meyer & Co., Adelaide House, London Bridge, London, EC4R 9EQ.

### **CONTRACTS AND TENDERS**

SCOTTISH DEVELOPMENT DEPARTMENT The London-Edinburgh-Tburso Trunk Road A9 Tore to Maryburgh

The Secretary of State for Scotland proposes to invite tenders from experienced contractors for the construction of the above section of Trunk Road in the Highland Region on the Black Isle from Tore aome 9km northwest of Inverness to Maryburgh 2km south of Dingwall.

The construction is of some 7.3km of 7.3m wide single carriageway in either flexible or rigid pavement at elevations of up to 14S metres above aca level. Also included is the construction of a bridge comprising 3 spans measuring 34m, 44m and 34m respectively together with a 7 metre span railway overhridge and including aide road connections, drafoage and other ancillary works. Approximate coat of the works is £3.8 million.

It is hoped to issue contract documents about April 1977 and the contract period will be 24 months.

Contractors, wishing to be considered for inclusion in the list of firms to be invited to tender for this contract should apply to The Secretary. Scottish Development Department, NCR Building, 2 Roseburn Gardens. Edinburgh EH12 5NJ. not later than 14 March 1977 quoting reference RUP/33/5/1. Thereafter, invitations to tender will be extended. to selected contractors and the necessary tender documents and drawings will be issued by Crouch & Hogg. Consulting Engineers, 18 Woodside Crescent, Glasgow G3 7UU, stating when the tenders are to be returned.

The intention is that tendering should he restricted to firms of proven capacity and experience who at the time with be in a position to submit genuinely competitive tenders. Contractors who hecause of other commitments or for any other reason do not apply to be considered for these works will not in any way prejudice their eligibility for consideration for future similar contracts. This scheme is also being advertised through the medium of the Official Journal of the European Communities.

### TRAVEL



U. K. reservations; London, Tel. 722 77 55. Telex 27574

### COMPANY

NOTICES

G. a. KENT & SONS LIMITED

CE IS HEREBY GIVEN that the Transfer Books of the Company CLOSED from 21st to 25th March both dates inclusive,

C. H. MILLER. Director & Secretary 24. Old Bond Street, London WIX 4AB

### **EDUCATIONAL**

FRENCH INSTITUTE iniversities of Paris and Life) SECRETARIAL COLLEGE,

Tel; 01-589 6211 ext. 43/44 French/English secretarial studies, high standard of French training, commencing September 1977. APPLY IMMEDIATELY

### **LEGAL NOTICES**

NO. 04411 of 1977

10 the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Watter of Joael. Construction LIMITED and in the Matter of The Companies Act. 1948.

NOTICE IS HEREBY GIVEN that a Petition for the Winding-Un of the above-named Company by the High Court of Justice Was, on the 1th day of February 1877, prosented to the said Court by the Court sitting at the Excise of Kina's Beam House. 39-41. Mark Lane, London EC3H THE, and that the said Fedition is directed to be beard beform the Court sitting at the Event of the said Company desirous to support of oppose the making of an Order on the said Company desirous to support of oppose the making of an Order on the said Company desirous to support of the said Company requiring such copy of the Pention may appear at the time of hearing in person or hy his Council for that purpose; and a copy of the Pention will be humished by the understanded to the said Company requiring such copy of the Pention will be humished by the understanded to the said Company requiring such copy of the Pention will be humished by the understanded to the said Company requiring such copy of the Pention will be humished by the understanded to the said Company requiring such copy of the Pention will be humished by the understanded to the said Company requiring such copy of the Pention will be humished by the understanded to increase the ventilating current per cent.; and Paringa 10 per tent of the said Company requiring such copy of the paid Company requiring such copy of the Pention will be humished by the understand the ventilation series factors have explorations in the dispersion of the wild company represented to the pention of the value of the value

on payment of the regulated charge for the Same.

G. KHIKORIAN,
King's Beam House,
39-41, Mark Lane.
London ECSR THE.
Solicitor to the Petitiquers.
NOTE.—Any versou who lotends to appear on the hearing of the said Petition must serve ds. or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the person, or, if a firm, the name and address of the person or firm, and must be signed by the person or firm, or his or their Solicitor if any, and must be served ut, if posted, must be seed by post in sufficient time to reach the above-named not later than loor o'clock in the afternood of the lith day of March 1977.

on partness of the regulated charge for the same, the same, the same serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the above-changed milks serve on or sold by post to, the serve of the serve

### **MOTOR CARS**



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ORIVE an appreciating assett. 60 Rolfs' Bentlews from 1923-1957 including several superb Clouds. Wrallish Ind Owens ST Types Also 70 line ore-fer cars. Alexandra Polace Auction Fields 18th February. 01-534 9225.

### PUBLIC NOTICE

5580.000 Sifts issued 15.2.77 maturing 17.5.77 or 1154% Applications forelied 68 360.000 and there are \$500.000 aids

### MINING NEWS

### Comalco boosts 1976 profits

agreement

on sea mining

An informal conference in Geneva next month will make a major effort to break the dead-lock in the UN Law of the Sea Conference between the indus-

The main question to he faced he added, is "who should exploit and under what political frame-

work the first mining operations will he approved for exploitation."

BY KENNETH MARSTON, MINING EDITOR

DESPITE the company's cantious tinuing operations in the December of a lower result.

The profit for 1975-76—achieved than in the same quarter of 1975. The profit for 1975-76—achieved than in the same quarter of 1975. The profit for 1975-76—achieved than in the same quarter of 1975. The profit for 1975-76—achieved than in the same quarter of 1976. The profit for 1975-76—achieved than in the same quarter of 1976 on a turnover up from \$76.9m. Share of associates loss increased loss of \$434.000 than the \$2.02m, recorded in the Sephane of th

Comalco has decided to September quarter came about As regards 1976-77 the directors announce its final dividend later this month and will send out the annual report as the series of seasonal factors and a similar to last year but, if any annual report as the series of seasonal factors and a similar to last year but, if any annual report as the series of seasonal factors and a similar to last year but, if any annual report as the series of seasonal factors and a series of seasonal factors a

by a final of 1.5 cents.

Higher prices, notably on primary metal sales to international customers, provide the main reason for Comalco's sharply increased earnings and the risa in gross sales revenue to \$329m. (£211m.) from \$286m. in 1975. Shipments, both of bausite and metal, were slightly lower than in 1975.

Bausite production however.

than in 1975.

Bauxite production, however, rose by 100,000 tonnes to a record 9.65m tonnes, while that of Conference between the indusprimary metal expanded to tonnes; the latter increase has followed the re-starting of idle capacity at the Bell Bay smelter in Tasmania and the completed expansion of the Bluff smelter in New Zealand.

Comaleo also says that Austra-

New Zealand.

Comalco also says that Australian Government legislation is 10
be introduced to allow a deduction for income-tax purposes to
ireflect the effect of reflation on The UN Secretariat will be
inventories. RTZ's 72.6 per centowned Commine Riotinto of Under-secretary General, Mr. Comaico, the ahares of which New York. "The situation seems were 10p up at 210p yesterday."

### Northgate loses \$0.6m.

FOLLOWING a poor fourth quarter when there was a loss of \$611,000 (£352,0001, Canada's Northgate Exploration reports a consolidated net loss for 1976 of \$598,000 (£344,000), or 9 cents (5.2p) per share. This compares with a re-stated net income of \$1.49m. or 2 2cents per share. The company has been hit for 1975.

year. The company has been hit by weakness in gold and copper prices but the president, Mr. Jaime V. Ongpin, reckons that the Philippine Government's new fvewear gold subsidy and promising development targets for bigher grade ore will ultimately restore profitability to gold operatiops. Northgate points out that the Northgate points out that the poor performance in 1976 mainly reflects the termination of the Irisb Gortdrum copper mine operations in the latter half of 1975; in that year Gortdrum contributed \$976,000 to Northgate's net income in addition to a profit of \$384,000 from the disposal of fixed assets following the closure of the mine.

included higher exploration expenses and an increase in the parent company's share of losses included. Northgate were 375p yesterday.

America's Amax and Australia's Endeavour Oil have bad to completely revise the economics of their Forrestania nickel prospect in Western Australia following the results of drilling at the Flying Pox prospect, it is stated. A new preserreday.

resuming mining operations. Since the fire started mine production

amount of the mortgage.

in Pettion will be turnished by the undersigned of No. M. Rothschild and Sons, has launched the Gresham Life Gilt Bond in association with Sons, has launched the Gresham Life Gilt Bond in association with No. M. Rothschild Asset Manager of No. M. Rothschild Ass

minimum investment is £1,000. The life assurance honefit varies with ace from £2,500 per £1,000 invested at age 30 or less to £1,010 at age 80 or over. The initial charge is 5 per cent. and the annual charge i per cent.

The company has also introduced a new scheme for the repayment of a house mortgage against a loss of 22,56p and a provide a flexible method of repayment at a low initial cost. The hasic plan used the Guaranteed Benefit Endowment autumn and winter the company Assurance—Gresham's non-profit has had to contend with onother contract and the investor takes

contract and the investor takes season of reduced supplies of out sufficient units to cover the nome-grown regetables and more amount of the mortgage. expensive imports owing to the investor effects a fresh weakness of sterling. It is not mortgage, he can vary the term possible therefore to forecast mortgage, he can vary the term possible therefore to forecast of the scheme to divet the oew what the profit might be for the mortgage term and effective current 15-month period further units of the Guaranteed benefit up to the current state.

benefit up to a maximum of Turnover 12

225,000 or twice the initial ship if Interest etc.

smaller, both without evidence of Tax
health, to cover the new amount Attributable
horrowed. The units can also be
converted into with-profit con- Loss.

### Christian Salvesen up £1½m. to £6.25m.

PROFITS OF Christian Salvesen, cover dividends at the present a total of LIP (0.8757p) for the unquoted bouse building, level. cold storage, fish and shipping Looking further abead, they group, jumped from £4.74m. to feel canfident that the group will £5.28m. In the year ended Sepmaintain growth.

1975-78 1974-75 197 current year the directors warn

of a lower result.

The profit for 1975-76—achieved theres to 289.48m.—was struck after an increased loss of £434.000 Texation to 289.48m.—was struck after an increased loss of £434.000 Texation the profit forms of the profit

### **GLASS GLOVER** DIVIDEND

announce its final dividend later this month and will send out the 1976 half-way stage, when net profits had reached \$8.4m. the company declared an interim of 2.75 cents. For 1975 there was an interim of 1.25 cants followed by a final of 1.5 cents.

Higher prices, notably on primary metal sales to international customers, provide the main reason for Comalco's and a expect the trading profit to be substantial and a second final dividend of the associated company—for the share of loss similar to last year hut, if anything, lower. The share of loss of the associated company—for the form main the form main

### annuity rates

The Prudential Assurance pany, the largest life compute UK, has reduced its indicate annuity rates right the board by £4 per snow each £1,000 of purchase the This move reflects the recent

MATREN

### PRIMROSE INDUSTRIAL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Directors: D. A. Lurie (Executive Chairman), D. M. H. Bruggemann. I. D. Brittan, J. P. Wall (British), J. A. K. Brooke (British), C. C. Woth ....... Alternates: I. R. Fullerton, T. L. Richards.

### INTERIM REPORT TO 31 DECEMBER 1976

Your Directors bave pleasure in reporting the unaudited results for the six month

period ended 31%; December, 1976,	31.12.76	Six months 10 ADJUSTED \$1.12.75	31.12.75
Group turnover	R'000 16,357	R 000 16,156	R'000° 7 18,631
Group profit before tax	1,910	2,611 578	3,120 578
Group profit after tax	1,873	2,033	2.542
Ordinary shares in issue, fully paid	10,721,568	10,646,768	10,646.768
Earnings per share (cents)	17.5e •11.67p	19.1c *12.74p	23.9c · *15.94p
Dividend per share (cents)	8c	8c	8c

The half-year to 31st December 1976 is not strictly comparable with the corresponding period the previous year as the latter included earnings from Delmas Silica Company and the attributable profits from Newcastle-Platberg (column 3). The figures shown for 1975 are therefore adjusted to exclude these earnings (column 2) and give a truer comparison of the performance of the company in its present fields of activity. Funds raised by the sale of our coal interests have been re-deployed into new productive assets and the bulk of the capital expenditure for the year was completed by the end of January. Allowances on this capital expenditure have resulted in the very low taxiliability for the period. The benefits of the capital expenditure should start flowing through in calendar year 1977.

Shareholders probably need little reminding that the construction industry is currently in its most severe recession since the 1930s. Comparing the period under review against: a year previous, the Group actually suffered a drop of 13 per cent in oumbers of bricks sold in the Transvaal and about 34 per cent in the Cape where the market dropped dramatically as early as January 1976.

In the Cape the market has continued to he weak throughout the year. At the present time there are no signs whatsoever of any improvement in general housing and the main worldwhile developments are centered on Mitchell's Plain and Atlantis. Operational officiency was poor during the 6 months but I believe most of the troubles have been rectified. Improvement is already evident and margins should be restored.

The Transvaal market beld at reasonable levels until September at which stage the effects of the cut-down in Government spending filtered right through the conomy and a drastic fall-off occurred. Geographic differentiation is still strongly marked with demand strong in the East due to Sasol 2, the Coal Mines and Escom developments, while the Central, West Rand and Pretoria areas are weak. We had fortunately moved early in anticipation of this trend and our expansions in Witbank and Ermelo appear to be appropriate.

Successful diversification of product in the Central and Western areas should enable us to take maximum advantage of what markat exists and to capture some sections in which we have not previously been able to compete.

Cost pressures in respect of coal, oll, electric power and imported spares continue to be severe, but a selling price increase of approximately 12 per cent was granted on 17th January, 1977, and this should provide some relief.

Overall the Group is in a good position to see out the halance of a most difficult trading period and respond well to any upturn in demand. Maximum effort is obviously being given to tight control of the operations. Our primary aim is cash flow and in accordance with this we may selectively reduce production so as to eat into finished stock.

### DIVIDEND AND FORECAST:

Jobanneaburg

15th February, 1977.

Your Directors have declared an unchanged interim dividend of 8 cents for the half year. Provided there are no material adverse changes in laxation, nor a further deterioration in the market place, it is intended to maintain a final dividend payment of 16 cents. Activity since recommencement of huilding operations after the December shut-down is at a reasonable level, but it is not possible to forecast trends other than on a day-to-day hasis.

On hehalf of the Board. David Lurie
Don Bruggemann — Directors

NOTICE OF REDEMPTION

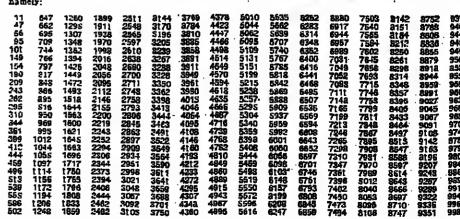
of the issue designated

9% Sinking Fund Debentures due April 1, 1982

(herein called "Debeatures") of the

### CITY OF QUEBEC, CANADA

Public Notice is Hereby Given that the City of Guebec intends to and will redeem for SUNEING FUND PURPOSES on April 1, 1977, pursuant to the provisions of the Debentures, the following Debentures as indicated, of the above-mentioned issue, at 1995 of principal amount plus accrued interest to the redemption date.



Debentures to be so redeemed, will become due and payable and will be paid to such coin or currency of the United Stajes of America as at the timo of payment is least lender for public and orivate sents in said United Stajes of America, at the office of the Paying Agent. Bank of Monireal Trust Company to the Borough of Machatan, Citr and State of New York, United States of America or at any of the offices of the following Paying Agents: Boak of Monireal (Name Office) in the City of Chebe, Canada, Schroder Trust Company in New York, J. Henry Schroder Wagg & Co. Limited in London, England. Banque de Suea et de l'Union des Mines in Paris, Prance, Eredietbank R. V. in Srussels, Belgium, B. Metaler seel. Sohn & Co. in Prankfurt, Federal Republic of Germany and Regulationals S. A. Lingenhourgeoise in Lingenhourg, Grand, Duchy of Lovembourg, upon presentation and guaranter of Debentures hearing the above numbers with all gaugess maturing situs April 1, 1977, Interest on the Debentures to be so redermed wio case and interest coupons maturing subsequent to that date will be yord.

Dated at Quebec This 9th day op Pebruary, 1stt

NICHOLAS GUAY, Tressin

ا مكنا من اللحيل



# What happened when the beer ran out

• STEEL STOCKHOLDING

BY ROY HODSON

CLUB had two new "We are shooting at 15 per much enthusiasm for quickly pers, both hefty and cent. of the stockholding expanding its stockholding business while the market is dead. The impression among stockholders is that the corstockholders is that the corporation poration will temporarily defer tion caused eyebrows to alarm in the stockholding industive ambition to secure 15 per the stockholding industrial transfer of the general steels.

Then on top of it all the try. For, while BSSC is already cent, of the general steels are not. Consider how the up to its market target in many market.

n pand its new stockhold company called Brittab company called Brittab into action in March 1975.

1 Service Centres (BSSC) tinto action in March 1975.

2 tentres therefore are of special interest therefore are of special into action in March 1975.

3 tentre therefore are of special interest therefore are of special into action in March 1975.

4 the top rank of stockholding fer source of the prain of stockholding for the prain of stockholding for two reasons. The holders for two reasons. The holders for two reasons. The acquisition of the desired BSSC also worries the stock in several stockholding here.

5 the top rank of stockholding for two reasons. The holders for two reasons. The acquisition of the desired BSSC armover of £150m. a work of stockholding here.

6 the prain of stockholding for two reasons. The acquisition of the desired BSSC armover of £150m. a work of stockholding market half a developing necessity of steel demand in 1976.

6 the damphile BSSC was atready re.

6 the nave stockholding for the the independent stockholding of the stockholding for three field sites in the independent stockholding for three field sites in the following:

7 the top rank of stockholding for two reasons. The holders for two reasons. The following:

8 the bound action in March 1975.

8 the many snape or form what the stockholding market hy setting down green-field sites in the independent stockholding for three facts are not activities the following:

8 the stockholding for three field sites in the finesecable full for three facts are not appear to have any grounds commercial director. Asked the far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business to lose touch with far end-points of our business iC is doing £140m. which the target bluntly: Corporation can summon up steel used in Britain. So far the director in charge of iC. puts the director in char

members felt about it all product areas, it is still weak

BSSC may simply mark time

pany. That made the GKN from the existing market.

of the market.

itish Steel Corporation was was passed through the stockholding business during together hold one-third, pertish Steel Corporation was was passed through the steet stockholding business. Illy impressed with the fraternity that companies which currently is a market of ness opportunities in steet wishing to be acquired some \$700m. a year.

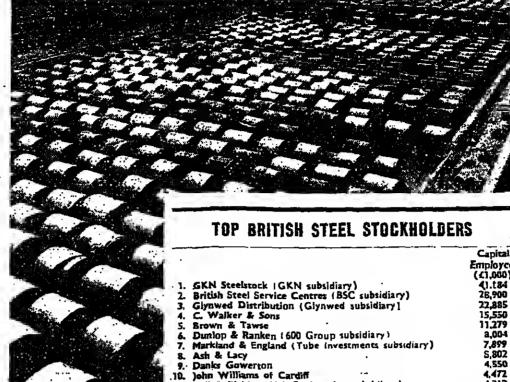
cholding. It had inherited and suitable for BSSC's GKN, itself a steetmaker, is a lest stockholding interests planned expansion might kindty large customer of the steet pre-nationalisation days. Reeler's office, Whitehall House, works do not have special corporation began to build halesowen. West Midlands.

Accorately a \$10m.a.year turnover present themselves at Mr. stockholders: GKN engineering the pre-nationalisation days. Reeler's office, Whitehall House, works do not have special the passed to the pre-nationalisation of the steet supplies. For the stockholders with GKN began and stockhold.

stockholders is that the cor-

you will have some idea of in the crucial general steels in steel stockholding. Or it it is like to be a steel trading sector where it holds may continue to grow slowly by holder in Britain these only about I per cent. making acquisitions if the curoff the market. There are rent harsh trading conditions in went on a six-year buy. It wo ways for BSSC to drive one or more general steels spree among the stock build up its general steel stock stockholders to seek sheltering companies which cul-holding. It can acquire other under the BSSC unforted the stock of the build up its general steel stock. with the European companies in the trade. Or it Either way the state of affairs mission agreeing in 1974 can set up new stockholding can be an more than traosient. GKN should be allowed to facilities and hire teams of In the tonger-term BSSC will have the big Miles Druce salesmen to carve out business pursue its ambition until it has secured its 15 per cent, share of istock, the new grouping. Those alternatives have be general steels stockholding. or the largest stockholder in come well understood in the BSSC and GKN will then

np and its new stockhold- Meanwhile BSSC was atready re. Steelstock for steet supplies. For



Hall & Pickies | Hall Engineering subsidiary)

Barrow Hopes (Tube Investments subsidiary) 4,014
Source: Greene & Co., Stockbrokers

they bave been built to the size business to make money. we consider right."

called upon to be profitable orientated.

employed capitat of £40m. smalt co-ordinating organisation none of their stockholding ago.

The recession in steel demand

• "We felt when we enlored tives. He cannot appear to stick • "There is a sound profit the industry that it was ready with just t per cent, of the

All these bonds having ocen cold, this annou

stockholding activities when an excellent opportunity for a

Mr. Richards says that it is So far BSSC's profits have bad both inevitable and right that only a negligible impact upon structural changes should be the finances of the British Steel occurring in British steel stock-Corporation. However, Sir holding The British market, he Charles Villiers, chairman of says, must run more nearly in the corporation, is a man who parallel with the Continental puts profits high in his order Europe market. In consequence of priorilles and BSSC is being it must become more price-

during its growth period. Mr. GKN Steelstock companies are Kecler is working to directions not the cheapest suppliers but to secure a 20 per cent. return they make a point of reliability opon capital over a rolling tive- and ability to continue to supply year period. Last year, a very customers during periods of poor year for the steel indus shortages BSSC can be expected try, BSSC returned £900,000, on to work in the same way. Mr.

The net effect of the two big for BSC stockholding activities steel stockholders, both selling with the member companies mainly home-produced seci. acting as trading arms under could be to encourage a swing their own names. The intention back to home products rather is that BSSC itself should keep than imported products througha low profile. But on one matter out the slockholding business, both Mr. Keeler and Mr. Water Many stockholders began in-

treatment from BSC steelworks has made it increasingly unin any shape or form what tikely that BSSC will complete

general steels stockholding

### POINTMENTS

### Two Furness Withy executives join Board

r. J. E. Keville and Mr. London, has already taken up A. L. Roberts have been residence in Dubai. Mr. Atam Mr. Pearce is a director and chalman of the bolding company. Mr. Atam Mr. Pearce is a director and chalman of the bolding company. Mr. And Mr. Pearce is a director and chalman of the bolding company. Mr. And Mr. Pearce is a director and chalman of the bolding company. Mr. And Mr. Pearce is a director and chalman of the bolding company. Mr. And Mr. Pearce is a director and chalman of the bolding company. Mr. And Mr. Pearce is a director and chalman of the bolding company. Mr. L. J. Mr. Pearce is a director and chalman of the bolding company. Mr. Pearce is a director and chalman of the bolding company. Mr. Pearce is a director and chalman of the bolding company. Mr. Mr. Pearce is a director and chalman of the bolding company. Mr. L. J. Mr. Pearce is a director and chalman of the bolding company. Mr. Mr. Pearce is a director and chalman of the bolding company. Mr. Mr. And Mr. Mr. K. J. Mr. And Mr. Mr. K. J. Mr. Anthony Cross and Mr. Mr. Ant

26 weeks 26 weeks 52 weeks

34,407

90,655

to Britain and Germany.

Mr. Paolo E. Franceschi, Mr. Richard J. Halcrow, Mr. Jose L. Solution of the RUNNYMEDE have become regional managers of TREST to take up a senior LIBRA BANK. Mr. Kenneth B. research post in the Home Office. Ramsay has been made senior wilve of ORYX INVEST. Usha Prashar.

Trust is manager, operations.

\*\* Mr. Paolo E. Franceschi, Mr. Richard J. Halcrow, Mr. Jose L. to eliminate unnecessary waste from their own jobs.

\*\* Mr. Tom Rees has resigned as Prieto and Mr. Francois L. Rahm director of take up a senior LIBRA BANK. Mr. Kenneth B. Trust is manager, operations.

\*\* Mr. Paolo E. Franceschi, Mr. rising costs and are encouraged to eliminate unnecessary waste from their own jobs.

\*\* Mr. Tom Rees has resigned as Prieto and Mr. Francois L. Rahm director of take up a senior later of the Runnymeder of the Trust is manager, operations.

\*\* Mr. Paolo E. Franceschi, Mr. rising costs and are encouraged to eliminate unnecessary waste from their own jobs.

\*\* Mr. Chris Balnbridge is joining THE ANNEX to member of the Annex to m

Cellophane Corporation in Miami, Florida.

Mr. S. Morgan, company secretary of THOMAS FRENCH AND SONS, bas been appointed a director.

NORDIC BANK, London has made the following appoint ments: Mr. Ronald G. Cain, appointed appoint manager, securities department; ENGINE Mr. Ronald I. Petford, manager, eustomer relations and loan leaving machine mentions.

Mr. W. A. Alrey is to become chairman of WEEKS TRAILERS and will be succeeded as manag-

Len Murray, TUC general stary, has been appointed a director of SEALED appointed a director of SEALED appointed a director of SEALED and formed a new division to handle North American non-marine business. Both were previously with Antony Gibbs Sage. NDATION FOR THE STUDY MUSTRIAL SOCIETY, often on as the Heinemann Founda.

The appointment is for Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Morrie base and Mr. W. H. Coembs and Mr. M. R. accountant with Mr. M. M. R. accountant with Mr. M. R. accounta 

renoundation was set up after to German President Heinest David of the Company was formed a state visit to Britain SURANCE BROKERS) as a appointed a director.

\*\*Mc. R. P. Cuthbertson, general appointed managing director—of the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. He was previously with the company was formed last purpose is to proble director. year to market the Quid-Each-Day incentive scheme where

Mr. H. G. A. Hooft as chief Acting director of the Trust is manager, operations.

THE ANNEX (a member of the utily of ORYX INVEST Usba Prashar.

The Arab-British

thank based in Dubai, Mr. S. M. Pearec has been appointed production director of Agrons, who is tearing the companies as director of Oryx and of marketing at HALFORDS from SAITTH. BROTHERS (WHITE-pany for family reasons and will have been the takes over from Roberta April t. Mr. Niewiarowski, appointed to head buying and SAITTH. BROTHERS (WHITE-pany for family reasons and will have been the companies) as managing director.

He takes over from Roberta April t. WHITE-pany for family reasons and will have been pany for family reasons and will have been the resource of Arnold turns to work.

Cellophane Corporation in Miami.

or, David S. Van Polt has been appointed sentor vice-presiden by CITIBANK NA. He is based appointed as a director of in London.

HAMPTON GOLO MINING \*\*

AREAS.

\* John R. Slotar has been elected an additional deputy chairman of the ASSOCIATION OF INbecome president of the VESTMENT TRUST COMPANIES.
Lord Remnant and Mr. G. A.
Stont contions as deputy chairmen.
TORS.

Mr. R. J. Miskin has become secretary of the INSTITUTION CARDIFF, has been made a OF PRODUCTION ENGINEERS.

The CRYSTAL ORGANISATION car distributors, has made three appointments to its main Board, Mr. J. M. Byers (service), Mr. J. P. S. Thomas (sales), and Mr. J. P. S. Thomas (saica), .... T. Watson (administration).

made the following appointments: Mr. Rosald G. Cain, manager, securities department; Engineeral on April 1 as Mr. Rosald I. Petford, manager, in and loan leaving Tube Investments administration; and Mr. Bo S. B. machine division, Coventry, where Fröjd, regional executive for Sweden.

Mr. Malcolm D. Cogan has been and wilt be succeeded as manage appointed managing director of ing director by Mr. K. Scarle. STANNAH LIFTS (LONDON).

Mr. P. George will be saies Mr. Cogan started with Stannah director. The changes are effectors as an apprentice theo went to tive from February 21 and follow. Otis for 17 years.

### LIGHT-SERVICOS DE ELETRICIDADE S.A.

São Paulo

DM 100,000,000 81/2% Bonds due 1982

unconditionally guaranteed by

Tasue price: 89150

### WESTDEUTSCHE LANDESBANK

ALGEMENE BANK NEDERLAND N.V.

ORION BANK Limited

WOOD GUNDY LIMITED

AFIN S.D A. ALAHLI BANK OF KUNVART (KS.C.) AE AMES&CO.

AMSTERDAM ROTTERDAM BANK N.V. ANORESENS BANK A'S

ARAB FINANCE CORPORATION'S A.L. ARAB FINANCIAL CONSULTANTS COMPANY

ASIAC - ASIAN INTERNATIONAL ACCEPTANCES & CAPITAL Limited SACHE HALSEYSTUARTING. JULIUS BAER INTERNATIONAL

SANCA COMMERCIALE ITALIANA BANCA DEL GOTTARDO BANCA NAZIONALE DEL LAVORO BANCO DI ROMA

BANKERS TRUST INTERNATIONAL BANK GUTZWILLER, KURZ, BUNGENER (Oversees) Limited

BANK MEES & HOPE NV BANQUE ARABE ET INTERNATIONALE D'INVESTISSEMENT (S.A.I.)

FAHOUE CRUXELLES LAHBERT S.A. BANQUE FRANCAISE DU COMMERCE EXTERIEUR

BANQUE GENERALE OU LUXEUBOURG

EANCUE DEL'INDOCHINE STIDE SUEZ BANQUE INTERNATIONALE A LUXEMBOURG 5 4. BANQUE DE NEUFLIZE, SCHLUMBERGER, MALLET

BANQUE NORDELIROPES A BANQUE DE PARIS ET DES PAYS-BAS BANQUE POPULAIRE SUISSE S.A. LUXEMBOURG

BANQUE DE L'UNION EUROPEETINE SANOUE WORKS RAPING BROTHERS & CO.,

SAYERISCHE HYPOTHEREN-UND WECHSEL-BANK SAYERISCHE LANDESBANK GIROZENTRALE

**BAYERISCHE VERSINSBANK** JOH BERENBERG, GOSSLER& CO. BERLINER BANK

> BERLINER HANDELS-UND FRANKFURTER BASK BLYTH EASTMAN OILL ON & CO. CHASE MANHATTAN

CITICORPINTERNATIONAL GROUP COLMERZBANK

COUNTYBANK Limites

CREDITANSTALT-BANKVERERS CREDIT COMMERCIAL OF FRANCE CREDITLY CHAINAIS

CREDIT DU NOFO CREDITO ITALIANO (UNDERWRITERS) S.A.

CREDIT SUISSE WHITE V. ELO DAIN'S EUROPE !! \

RICHARD DAUS & CQ. . Banklers DELBRÜCK & CO.

DEN GANSKE BANK : af 1671 Africae(ska) DEN NORSKE CREDITBANK DEUTSCHE BANK

DEUTSCHE GIROZENTRALE ~ OEUTSCHE KOMMUNALBALK~ DEUTSCHE GENOSSENSCHAFTSBANK

DILLON, READ OVERSEAS CORPORATION DRESOWER BANK Arriengesellschaft EFFECTENBANK-WARBURG Akkengeselisthali

EUROMOBILIARES & A. COMPAGNIA EUROPEA INTERMOBILIARE EUROPEAN BANKING COMFAILY

FIRST ROSTON (EUROPE) Limited ROBERT FLEWING & CO. GIROZENTRALE UND BANK DER ÖSTERREICHISCHEN SFARKASSEN

GOLDMAN SACHS INTERNATIONAL CORP. HANDELSBANK N.W. (OVERSEAS)

GEORG HAUCK & SOHN HESSISCHE LANDESBANK - GIROZENTRALE -HILL SAMUEL & CO.

E F. HUTTON & CO N.Y. KIDDER, PEASOOY INTERNATIONAL Limited

KJØBENHAVNS HANDELSBANK KLEINWORT, BENSON

KREOIETBANK N'V. KREDIETBANK'S A LUXEMBOURGEOISE KUHN, LOES & CO. INTERNATIONAL RUWAIT FOREIGN TRADING CONTRACTING & INVESTMENT CO. IS A N.1

mployed capital of £40m. Keeler, of BSSC, is himself no BSSC is intended to be a old Miles Druce man.

stone speak toudly and porting steel when the BSC was couphatically. They say that unable to supply them two years

THE FEDERATIVE REPUBLIC OF BRAZIL

GIROZENTRALE

KUWAIT INVESTMENT COMPANY (S.A.K.)

SWISS BANK CORPORATION (OVERSEAS)
Limited

LIBRA BANK LIMITED

KUMAIT INTERNATIONAL INVESTMENT CO. S.A.K. BANKHAUS HERMANN LAMPE

LANDESBANK RHEINLAND-PFALZ t Andesbank schleswig-Holstein Girozentrale

LAZARO BROTHERS & CO. Limited LONDON MULTINATIONAL BANK (UNDERWRITERS) Limited MANUFACTURERS HANCIER Limited

MERCK FINCK & CO. MERRILL LYNCH INTERNATIONAL & CO. B. METZLER SEEL. SOHN & CO.

LIORGAN GRENFELL & CO.

L'ORGAN STANLEY INTERNATIONAL THE NIKKO SECURITIES CO., (EUROPE) LTD. NOMURA FUROPENIV.

NORDDEITSCHE LANDESBANK GIROZENTRALE ÖSTERREICHISCHE LÄNGERAANK Aktiengekeilschaft

PKBANKEN PRIVATBANKEN AKTIESELSKAB

PIERSON, HELDRING & PIERSON N.V.

SALOMON SROTHERS INTERNATIONAL HENRY SCHROOER WAGG & CO. Limited

SKANOINAVISKA ENSKILOA BANKEN SIGITH BARNEY, HARRIS UPHAM & CO. Interperated SOCIETE GENERALE

SOCIETE GENERALE DE BANQUÉ S'AL SUMITOMO FINANCE INTERNATIONAL

S.EMSKA HANGELSBANKEN TRADE DEVELOPMENT BANK OVERSEAS INC

TRINKAUS & BURKHARDT UNION BANK OF FINLAND LTO. LINION BANK OF NORWAY LTD.

LINION OF BANGUES ARABES ET FRANCAISES — U.B.A.F. VEREINS- UND WESTBANK

Aktiongesellschaft J. VONTOBEL & CO.

Westfalenbank V. ESTLB OFFRNATIONAL S.A. YAM AICHUNTERNATIONAL (EUROPE)

### INTERIM REPORT JNAUDITED RESULTS FOR THE SIX MONTHS ENDED · 31at OCTOBER, 1976

	31 Oct., 1976	31 Oct., 1975	30 April, 1976
iroup turnover	£ . 3,554,152	£ 2.770,027	6.020,366
roup profits before	134,800	74,202	200, 655
axation (Note 1)	70.096	39,795	t10.000
roup profit for the period attributable to			

RAMAR TEXTILES LIMITED

mem bers

The estimated charge for taxation, which includes deferred axation, has been calculated at 52%.

64,704

Profits for the half year are, as previously intimated, igher than those for the comparable period last year. As indicated in the Chairman's Statement of the 7th ictober 1976, it was very difficult at that particular time to precast the full year's results, but subject to unforeseen ircumstances, it is now felt that they should be considerably etler than those for the year to the 30th April, 1876.

### CANADA

No interim dividend is recommended.

### INTERIM STATEMENT

The Directors of JOHN HAGGAS LIMITED have declared in Interim Dividend in respect of the year ending 30th June, 977, of 1p per share on the issued Ordinary Share capital. The dividend will be payable on 6th April, 1977, to sbare-olders whose names appear on the register of members at he close of business on 4th March, 1977.

-4 4.000 U. Dugm				-
•		Half Year ended 31st Dec. 1976*	ended 31st Dec. 197a*	Year ended 30th June 1976 • • £ 000
roup Sales		9,511	7,775	16,713
pepreciation		315	293	569
rout before Tax	ation	1,487	1,202	2.707

### **JOHN HAGGAS LIMITED**

### HOME CONTRACTS

### BR lime freight order for £2m.

BRITISH RAIL FREIGHT has won order. placed by Dowcett a contract from the British Steet Engineering Construction, also in Corporation worth more than cludes flexible-jointed pipes up to 22m, over the next four years to 180 mm, in diameter. deliver 170,000 tonnes of lime annually. The lime, used in the The Grangementh branch of the basic oxygen steelmaking process. PHOENIX TIMBER COMPANY has will go by rail from the Timslead received from Crane Fruehauf quarry of ICI to BSC's Port Taibot Containers an order worth more steelworks. BRITISH RAIL FREIGHT bas won order.

quarry of ICI to BSC's Port Taibot Containers an order worth more steelworks.

\* tainer door panels, to be delivered tainer door panels, to be delivered over the course of the next few part of the Walter Lawrence months.

Group, has been awarded a SINDALL CONSTRUCTION, a tension at Chessington. Surrey, member of the Sindall Group, has been awarded the Thames Barrier contract 54 by the Greater Lon.

ARC CONCRETE has been don Council. Worth around fom. awarded a £120,000 contract to this with consist of onshore supply precast coocrete pipes and works in connection with the manhole noits for the final link Thames barrier project over of the M18 in Yorksbire. The nearly four years,

### NTERNATIONAL FINANCIAL AND COMPANY

### **AMRO** profit rises by 14%

AMRO BANK, Hollaod's second for taxatioo was raised largest commerciat hanking Fls.129.6m. (Fls.112.8m.). halton BANK. Holland a security and the complex of the carries to add that the backs are strongly and the complex of the carries of the Carrelle. Mobanesis are all particular that the complex of the carrelle. The company was a size of the carrelle. Success and the carries of the carrelle. Mobanesis are all particular that the company was a size of the carrelle. Which are all particular that the carries of the carrelle. Mobanesis are all particular that the carries of the carrelle. Mobanesis are all particular that the carries of the carrelle. Mobanesis of the carrelle. The sale is the carries of the carrelle. With the passing of time, the previous years figure. The previous years figure. The previous years figure. The previous years figure. The previous years figure the previous years figure. The previous years figure. The previous years figure the previous years figure the previous years figure. The previous years figure the previous years figure the previous years figure. The previous years figure the previous years figure the previous years figure. The previous years figure the previous years figure. The previous years figure the previous years figure the previous years figure the previous years figure. The previous years figure the previo group, stated ahead of its annual It was added that the bank's

Abercom achieves

AIR FRANCE

### Struggling to recover

AIR FRANCE, the French state 1975 hefore Concorde went into new medium-range airliner, the dismissal by the then Finance at Orly until a proper terminal owned airline, is flying high but regular service. Though the sub- Dassanlt-Breguct Mercure 200. Minister, M. Fourcade, if it per- of its nwn had been built at ooly in the literal sense. Though sonic shortfall was balved, the Though this 180-seat aircraft sisted with its decision to have Charles de Gaulle, which will not be completed before 1981.

Though this is never stated in struggling to pull put of the of Frs. 20m.

CA rejects || b| E statement by London banks

CREDITANSTALT - Bankver

the assignment to it of the were not paid by CA who presented the letters for ment because of alleged lems in the underlying

Creditaustalt claim that NEW YORK, Feb. 15.

BY RICHARD ROLFE

SY RICHARD ROLFE

JOHANNESBURG, Feb. 15.

THE ENGINEERING group capital expenditure has in stap chall man Mr. Murray McLean or slow down, raising the tax resigned abruptly tast year, bas reported pre-tax profits up from Protection. Mr. Foy, the chairman told immonths ended December 31.

Mr. Foy declined to project the same of the capital expenditure has more results and abruptly tast year, bas reported pre-tax profits up from ended December 31.

Mr. Foy declined to project the same of the capital expenditure has more residual and an area at the same time.

RSSm. to RSSm. for the six unitar resources altoward the same of the construction of a 24-mile months ended December 31.

Mr. Foy declined to project the same of the six which, with turnover up from ended December 31.

Mr. Foy declined to project the same time.

SSSm. to RSSm. to RSSm. for the six with turnover up from ended December 31.

Mr. Foy said that "demand from the Republic, S800,000, which was used to the new hank will retain Property in Distriction of a 24-mile with the sate of deben arriver "offered for numerous turns to 1973 optensibly to pay in priced at 8570,000. This property in the subject of numerous turns to 1973 optensibly to pay in priced at 8570,000. This property in the subj expressly stated to be non-

Commercial Court had been missed in a final judge against which AWT has

Ahercom has declared an un (though the earnings figure is mi and natural 2st shortages have hanged 10 cent interim, but has a weighted average hasis, which showed from the cancellatino of 10 the new management just in the market.

If McLear's departure own a Unisec subsidiary, and of 33 cent total dividend for purchases in the market.

It saves that a reappraisal is value on 42m, harres, it works needed in the light of a changed out at 151c against the shares the same as last ments have performed well over ever's 29 cent. This puts the even's 29 cent. This puts the vear with a 12-per cent. The gloin the same as last ments have performed well over ever's 29 cent. This puts the vear could market with a 12-per cent. The dividend of 20 per cent. The dividend of 12.4 per cent. The dividend of 238 cents on a mini- rising from R22m, in the works are tasted the same as last ments have performed well over ever's 29 cent. This puts the vear with market value shares at 233 cents on a mini- rising from R22m in R22m in the vear with a reapprophenomed select shows even allowing for 108m of net current assets of 123m and new investment. The dividend of 20 per cent. The fou

about | better but trading was at business, and insurance

### **AMERICAN NEWS**

### Bethlehem Steel sees poor quarter

margin improvement

a slight improvement in profit clean halance-sheet and avoiding margins. The tax charge, thanks showing any earnings which are to continued high capital expension actually cash receipts. to continued bigh capital expendent of actually cash receipts.

dintre, is actually down from lts consolidated net profit fell Bethlehem is a major supplier EUROBONDS.

R1.9m. to R1.8m. despite the from R6.8m. to R6.4m. for the ligher profits figure and the year to December 31 but earn.

R1.9m. to R1.8m. despite the from R6.8m. to R6.4m. for the higher pre-tax figure and the year to December 31, but earning bigher tax rates ruling since the ings were 3 shade higher, from last hudget. The upshot is an 12.5c to 12.7c. This reflected a improvement in earnings per reduction from 48.3m. to 42m. share from 24 cents to 28 cents, shares in issue at the year end Ahercom has declared an uncertainty of the cent interim, but has a weighted average basis) which reneged on its forecast (made flowed from the cancellatino of ity the new management just 5m. shares owned by Tokengate, and the properties of the purchases in the market.

Taking end-year net asset in the capital goods industries.

"The weather situation has not been belging things." Foy said. He said severe cold, heavy snows and nautral gas shortages "have bampered our operations especially at the Lackawanna plant near Buffslo. Those conditions have also created problems for many of our suppliers and customers." Foy said.

Taking end-year net asset to the capital goods in dustries.

Taking end-year net asset and street for use in the capital goods in dustries.

Norpipe returns for \$50m.

### Same again

7. year notes on a 71 per cent. issue was 61 years.

Quiet conditions prevailed in the secondary market and there were large losses in my car notes on a 71 per cent. issue was 61 years.

Quiet conditions prevailed in the secondary market and there were large losses in my car insurance, the biggest six sector of the company's insurance of the c

fuesday Monday against variations of class 102.42 however, the overall results 107.85 107.72 profit the chairman predicts Tuesday Monday

# Lloyds Bank Group

the opening of their branch in Dubai.

The new branch provides a full range of banking services and is responsible for the development of all aspects of the international business of the Lloyds Bank Group in the United Arab Emirates. In conjunction with our branch already established in Bahrain, this enables Lloyds Bank International to play an active role in the

LBI has recently arranged a £202.4 million mediumterm sterling export credit to finance U.K. capital goods and services for the construction of an aluminium smelter complex at Jebel Ali, Dubai.

The Lloyds Bank Group already has branches and offices throughout Western Europe and Latin America in addition to a strong presence in the Pacific Basin and

Manager: M.K. Atkinson, PO Box 3766, Dubai,



Fellow subsidiaries of the Lloyds Bank Group:

LBI, the Bank of London & South America and their subsidiaries have offices in: Argentina, Australia, Bahamas, Bahrain, Belgium, Brazil, Canada, Cayman Islands, Chile, Colombia, Costa Rica, Ecuador, Egypt, El Salvador, France, Federal Republic of Germany, Guatemala, Guernsey, Honduras, Hong Kong, Iran, Japan, Jersey, Malaysia. Mexico. Monaco. Netherlands. Nicaragua. Panama. Paraguay. Peru. Philippines. Portugal. Singapore, Spain, Switzerland, United Arab Emirates, United Kingdom, U.S.A., U.S.S.R., Uruguay, Venezuela.

**AARONSON BROS. LIMITED** turers of Contiboard, Contiplas, Wood Veneers,

Convertible

BONDTRADE INDEX

Laconite, Armoflex, Spanboard, etc. STATEMENT OF TRADING RESULTS Year ended 30th September, 1976 (Subject to Final Audit)

	19/6	1975	
· //	£'000	£'000	
Group Sales	21,570	17,766	
Exports .	4,594	3,446	•
Profit before Taxation	2,359	1,820	•
Profit after Taxation and Minorities	2,221	993	
Extraordinary Items (Net of Tax)	577	229	
Earnings per Share (fully diluted)	10.40p	7.72p	•

In previous years full provision has been made for the contingent liability of deferred taxation. It has been detided that the amount already provided at 1st October, 1975 is adequate for any liabilities that are likely to arise in the foreseeable future and therefore no further provision is necessary.

The earnings per share figure for 1975 has been adjusted to take account of the change in policy in dealing with deferred

The extraordinary items arise substantially from the closure and relocation of production units.

The Directors propose recommending the maximum permitted payment for the final dividend of 1.21519p per Ordinary Share making, with the interim dividend already paid, a total of 1.76519p per Ordinary Share plast year 1.60472p per share) absorbing £342,847 (last year £311,679). Subject to confirmation of the dividend at

the Annual General Meeting to be held on Wednesday, 30th March, 1977, dividend warrants will be posted 1st April for payment on 4ch April, 1977 to all shareholders on the register at the close of business on 2nd March, 1977.

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tellent p

the futt

Now that the largest programme of expansion ever undertaken by the Group has been completed at a cost in excess of £5,000,000 over the past two years, the benefits of the cost savings and increase in productivity predicted in the last Annual Report are being realised.

The first few months of the current year. already show a substantial increase in profits over the same period last year. The Group should continue along its solid 7 path of growth and report a further material increase in profits for the current year, subject to any unforeseen circumstances. Meanwhile further capital expenditure projects are still being examined and undertaken.

# now in Dubai.

Lloyds Bank International are pleased to announce

financial growth of this important region.

the United States.

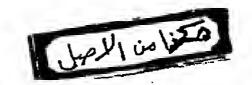
United Arab Emirates. Telephone 24151.



A member of the Lloyds Bank Group

Lloyds Bank California, The National Bank of New Zealand.

| Amais | 7 (pr | 1990 | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165| | 165|



### table capital market redicted for W. Germany

iew of this year's outlook noticeably declined. market made earlier this The move towards by Mr. Wolfgang Roeller maturities duer Bank, has also dis November fears that a dangerous Federal

ieutsche Bank in its latest vesting public.

GERMAN bankers are points out, the universe in yield private and professional investors ig a "smooth and ten between one and 10 years securily in particular have had increasing see" domestic capital ties was some 3.3 percentage recourse to the bond market in 1977, with interest points, one year loter it had From September to November sely to stobilise at least dropped by 30 per cent. to 2.3 70 per cent. of the DM6.3bn. Is summer and with bonds percentage points. From this, bonds sold were accounted for by the suppoper and the conclusion is drawn that the domestic non-bank purposers. a healthy turnover and the conclusion is drawn that the domestic non-bank purchasers. naturities. price/risk premium expected by This compares with only 17 per eutsche Landeshank Giro- investors in return for commit- cent. for the same period in the eutsche Landeshank Giro- investors in return for commit-eutsche Landeshank Giro- investors in return for commit-eutsche Landeshank Giro- investors in return for commit-more or less echoing a ment over the long-term has previous year. On expectations that the infla-

Government's well

"ly Economic Report siso" The receot success in stabilis"reawakened confidence" ing prices has proved "that the
future interest rate trend inflation rate-not only goes up"
on the possibilities of interest

GERMAN bankers are points out, the difference in yield private and professional investors

The move towards longer term off in the current year with the November last year by the Federal Government's well centiage points below last year at fears that a dangerous lation of private and sector demands on the might be experienced this. The moderale economic y and smple liquidity in borate sector it points onto contradict forecasts of d.

Federal Government's well received lounching of a 10 year per cent, the bank points out that the hroader real interest rate margin is likely to have a positive effect on the hond market. In addition, the lower contradict forecasts of observed among the broader in inflation rate reduces the need for monetary curbs on the economy and thus the Bundes-ball is not accounted to make up to the property of the private and the private and the property of the private and the property of the private and the property of the property of the private and the property of the property of the private and the pr

future interest rate trend inflation rate-not only goes up on the possibilities of interest a diminished risk of fluc-s in bond prices, as from cycle to cycle does not have dins shift in the interest the character of an inescapable ructure.

The bank says.

The bank adds moreover that the only goes up on the possibilities of interest fluctuations, however. A stronger D-mark could have another down-dins shift in the interest the character of an inescapable ructure.

The bank says.

### **Esselte** forecasts growth in 1976-77

STOCKHOLM, Feb. 15. ESSELTE, the Swedish office equipment, packaging and priniling concern, forecasts in the nine-month interim report that group sales for the whole of the year 1976/77 will be compared Kr.2.1bn. Kr.1.5bn, in the preceding year. New companies acquired some two years ogo have con-tributed about Kr.450m. of the

Earnings are expected to be about Kr.27 per share com-pared with Kr.20 per share in the previous year. The pre-tax profit is estimated to increase to Kr.109m. compared with Kr.89m. for the nioe-month period. The group result went up hy 43 per cent. to Kr.1.5bn. compared with Kr.1.1hn. a year eariler.

### Stelux buys up

Colex shares

STELUX Manufacturing is to buy the remaining 50 per cent. of the issued share capital of Colex not yet held by the company, reports Danlel Nelson from Hong Rong. The purchase will cost HK\$7.56m. in the form of 1,512,000 new Sielnx

The first 50 per cent. was bought in August 1975 for HKS4.4m. in cash in order to hreak into the consumer electronics field. The deal typifies the major realignments being made by Hong Kong watchmaking and electronics combehind only the U.S. and Japan as a manufacturer and suppller of electronic quartz

### Mohan petitions

COURT PETITIONS are due to winding up of three Mohan property and investment group companies and a finance firm, reports our Hong Kong correspondent

Hntchison International nwns 27.98 per cent. of Mohan, which is the petitioner, along with two of its wholly-owned subsidiaries. The link between Rutchison and the Mohan group gues back to 1973 when it required 15.9 per cent of the property company after the latter went public.

### man changes investment rules

BARBARA CASASSUS

OMANI Government has been generated inside the to the commercial law the Govorced a massive increase Sultanate, while Omanis have ernment has introduced a fine selection of the selection of the

omanf rials in the country's economic development. The stake to be held by i for new local companies Omania remsins at a minimum ished with foreign particle of 35 per cent. Although the exact proportion will be determined in each individual case is to encourage an inflow by the Foreign investment Combilal for larger-scale projects mittee, which has just been have been set up in the formed under the chairmanship and to keep ownership of renterprises in the bands Ministry of Commerce and anil nationals.

Industry if will also insist that row Minister, Mohammad certificales verifying that their with limited resources from the capital share of the capital has been with capital been determined in each individual case.

Industry if will also insist that their with limited resources from the capital share of the capital has been greater economic stability, others with limited resources from the capital share of the capital has been greater economic stability of the capital has been given a mixed reception by the Sultanate's commercial community. While some sources feel the increase in the paid up capital will belp to ensure greater economic stability, others and will prevent Omanis with limited resources from the capital has been given a mixed reception by the committee.

Industry if will also insist that their with limited resources from the capital has been munity. While some sources feel the increase in the paid up capital will belp to ensure fear it will deter overseas in the paid up capital will be determined in exact proportion will be determined in exact

echnical aid for Grand-Bazar

ZURICH, Feb. 15.

DS MAGASINS JELMOLI stake in Grand-Bazar which it a further 14 days.

willing to continue tech- was willing to sell to the French Zumstein said by technical aid him willing to SA Grand-Bazar if Agache-Willot group before talks he means for example assisting the store and any future owners are the Belgian company Zumstein said talks continue with buying stock through the stere and any future owners willing the setting director Josef Zum who may be interested in acquirated director Josef Zum who may be interested in acquirated the said he does not mean aid ing the Llege store which has in the sense of financial assisting the large store which has a 25 per cent been allowed to remain open for ance.

### UTH AFRICAN GOLD MINES

### Plenty of investment

BY RICHARD ROLFE IN JOHANNESBURG

Profit after taxation

Earnings per share

Dividend per share (nett)

£438,682

2.513p

16.24p

The the shock of last year's of the earlier schedule in early price collapse to \$103, the African cold mining try is preparing to spend I sums on capital account the next five years. This be taken as a sure sign the seven mining bouses, control the 40 major gold 3, are confident that gold mharked on at least a slowly price trend.

art from the well-advanced mines—Unisel, Elandsrand, wall and reduction to the end of 1979 will determine the above estimate " makes It wall, Randfontein's Cooke mand the dump retreat-Anglo plans to spend about The one exception to this rule vendors of the mines—Unisel, Elandsrand, Anglo plans to spend about The one exception to this rule vendors of the mines—Unisel, Elandsrand, Anglo plans to spend about The one exception to this rule vendors of the mines—Unisel to spend about to the earlier schedule in early off job: The controlling house the ment off job: The controlling house themselves and the resulting financing "gap" is oo doubt one equipped mills and reduction of the factors behind the Anglo works and, when output began, the factors behind the Anglo works and, when output began, the factors behind the Anglo works and, when output began, the factors behind the Anglo works and, when output began, the factors behind the Anglo works and, when output began, the factors behind the Anglo of the factors behind the Ang

less. East Driefontein's 54.5m. shares in issue have just been overlis quite common in the industry taken by Deelkrasl, with 63m and Elandsraod's current plans financed out of the individual mine's cash flow. All capital expenditure is deductible before tax. In the case of the mines with the bighest tax and mining with the bighest tax and mining gold-uranium stocks, has on'v lesse formula (and Free State 5.4m. shores in issue. The invest-Geduld and a few others pay a ing public tends to feel that the marginal rate of 74 per ceni.] capital of a juggernaut with 63m. this means the State is effectively shares bas been excessively funding the hulk of the spending diluted. funding the hulk of the spending diluted.

### New scale

tor example, passed its dividend less interested in gold shares last year in order to conserve with no paybacks for another four years. The U.S. investor scheduled for completion in Juno 1978.

For the mining houses themselves, the new acale of expenditure at existing mines also means less spare funds for funding out of their own resources, with needs eisewhere. In the past, for little public participation. Even instance, the fabulously rich to the houses, the cost of tiefng free State Mines have generated up large sums of equity capital hig surpluses which have heen for six to seven years is placed with Anglo American and beginning to look rather daunt onlent to other members of the line, and conditions will probably group. But in the future this need to improve before new deep source of funds will increasingly level mines are embarked on.

East Driefonteln's 54.5m. shares

This aside, the foreign in vestors—from the U.S. U.K. France, Belgium, Switzerland-One problem, bowever, is that gold mine finance in the past sharebolders tend to be squeezed when mines undertake his even of investments with high capital programmes. Harmony, current yields. They are even for example, passed its dividend less interested in gold shares last year in order to conserve with no paybacks.



### BANCO DO BRASIL S.A.

U.S.\$40,000,000

Bearer Depositary Receipts

Chemical Bank

Floating Rate Promissory Note due 1982 of Banco do Brasil S.A.

London Multinational Bank (Underwriters) Limited

Credit Suisse White Weld Limited

Banque Arabe et Internationale d'Investissement (B.A.I.I.) Banque Nationale de Paris

**European Banking Company Limited** Lloyds Bank International Limited

Manufacturers Hanover Limited Société Générale de Banque S.A.

Swiss Bank Corporation (Overseas) Limited Westdeutsche Landesbank Girozentrale

Algemene Bank Nederland N.V. Amsterdem-Rotterdam Bank N.V.

Banca del Gottardo Bank Gutzwiller, Kurz, Bungener (Overseas) Limited

The Bank of Bermuda, Benque de Paris et des Peys-Bas Banca della Svizzera Italiana

Bank Leu International Limited

Banca Nazionale del Lavoro

Bence Commerciale Italiana

Aktiengesellschaft

Limited

Benk of America International Bank of Helsinkl Banque Bruxelles Lambert S.A.

Banque Internationale à Luxembourg S.A. **Banque Worms** Baring Brothers & Co., Beyerische Landesbenk **Baring Sanwa Multinational** Barcleys Kol & Co. N.V. Limited Girozentrale

**Breisach Pinschof Schoeller** Bayerische Vereinsbank Berliner Handels- und Frankfurter Benk Bankkommendligesellschaft Commerzbank Caisse des Dépôts et Consignations Cazenove & Co. Citicorp International Group

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Vereins- und Westbank J. Vontobel & Co. Aktiengesellschaft

S. G. Warburg & Co.

Trade Development Bank Overseas Inc. Wood Gundy Werdley

15th February, 1977

These securities having been sold, this announcement appears as a matter of record only

NEWISSUE

U.S. \$30,000,000

**Enso-Gutzeit Osakeyhtiö** 81% Guaranteed Notes Due 1984



Unconditionally guaranteed as to payment of principal, premium (il any) and interest by

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Wobaco Investments

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Wood Gundy

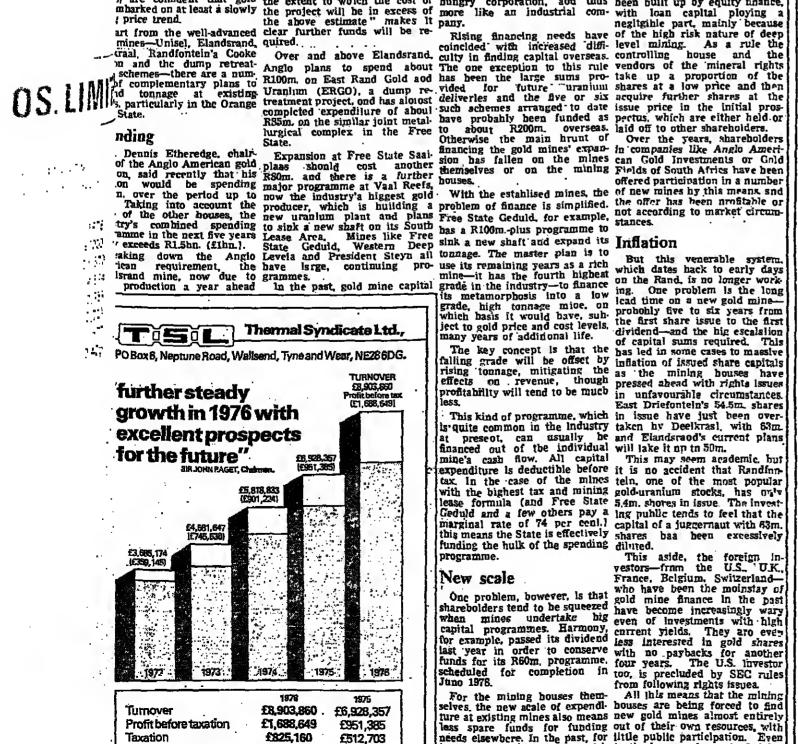
A. E. Ames & Co. Alabi Bank of Knwait K.S.C. Amex Bank Joins Baer International Bank of America International Bank of Helsinki Ltd. ionale d'Investissement (B.A.L.) Bunque Arabe et Intern Banque Française du Commerce Extérieur Banque Bruxelles Lambert S.A. ne Européeane de Tokyo Banque Française de Dépôts et de Titres Banque de l'Indochine et de Suez Banuse Internationale à Luxemboury S.A. pe de Neuflize, Schlumberger, Mallet Bassone Louis Drevfus Banque Worms Banque de Paris et des Pays-Bas Banque Populaire Suisse S.A. Luxembourg Barchays Kol & Co. N.Y. Baring Brothers & Co., Bergen Bank R. Albert de Bary & Co. N.V. Berfmer Handels und Frankfurter Bank Caisse des Dépôts et Consignations Blyth Eastman Dillon & Co. Brown Harriston & International Banks Ltd. Chase Manifettan Christiania Bank og Kreditkasse Citicorp International Bank Limited pagnie de Banque et d'Investissements (Underwriters) S.A. Compagnie Monezasque de Banone Creditanstalt-Bankvereit Crédit Commercial de France Crédit Industriel et Commercial Crédit Lyonnais Crédit du Nord Credito Italiano Daiwa Europe N.V. Deutsche Bank Deutsche Girozentrale - Deutsche Kommunafbank -Den Dunske Bank AF 1871 Den norske Credithank Dresdner Bank Effectenbank-Warburg Euromobiliare S.p.A. Compagnia Europea Intermobiliare Dillon, Read Overseas Corporation Fast Boston (Europe) European Benking Company Robert Fleming & Co. Gelina laternational Genomenschaftliche Zentralbank A.G. - Vienna ichischen Sparkassen Goldman Sachs International Corp. Handekbank N.W. (Overseas) Groupement des Banquiers Privés Genevois Hill Samuel & Co. IBJ International Kidder, Peabody International Istituto Bancario San Paolo di Torino Kiebenhavne Handelsbank Kleinwort, Benson Kuhn, Loeb & Co. International Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.) Kuwait International Investment Co. s.a.k. Kuwait Investment Company (S.A.K.) London Multinational Bank (Underwriters) Larard Brothers & Co., Lazard Frères et Ge Lloyds Bank International Hamfacturers Hannver McLeod, Young, Weir & Company Merck, Finck & Co. Merril Lynch International & Co. Morgan Stanley International Morgan Grenfell & Co. The National Rank of Kuwait S.A.K. The Nikko Securities Co. (Europe) Ltd. Nomura Europe N.V. Norddeutsche Landesbank Girozentrale Nordic Bank Nordfinanz Bank-Zurich Osmspenkkier Keskuspankki Oy Österreichische Länderbank Pierson, Heldring & Pierson N.V. Sal Oppenheirs jr. & Cie. Orion Bank N. M. Rothschild & Sons Sanstonankkien Keskus-Osake-Pankki (Skop) PKhanken Rothschild Bank AG Privathanken Scandinavian Bank Salomon Brothers International J. Henry Schroder Wagg & Co. Skandinaviska Enskilda Banken Société Bancaire Barclays (Overseas) Ltd. Smith Burney, Harris Uphana & Co. Société Générale Société Générale de Banque S.A. Strama, Turnbull & Co. Société Ségnamise de Banque Union Bank of Switzerland (Securities) Trade Development Bank Overseas Inc

Vereins und Westbank

White, Weld & Co.

J. Vocatobel & Co.

Williams, Glyn & Co.



### Fresh early rise on bargain hunting

BY OUR WALL STREET CORRESPONDENT

	Stocks traded	Closing Price	03 633
Amer. Asplines	255,604	172	
Amer. Tel Tel	_0T.: <b>N2</b>	67.2	<b>-</b> i
General Motors	47,950		÷
Poral Outch	130 000	341	_
Eastman Kndak	149 100	726	-18
Brit. Petroleum	145.400	135	- 4
Gulf & Watn, Wis.	314.500	1.6	- 1
Dow Chemical .	110,388	34	_
Coastal States Gas	154 904	172	- 8
Kresse SS	134,300	35 <u>2</u>	- 1

NEW YORK -DOW JONES

Tradios vol. 000 a : 19.230. 20.610 22, 540 25.840, 24,040 20,700

STANDARDS AND POORS

Ind. div. yield %

Long Govt. Bond yield

1nd. P/E Ratio

NEW

Feb. 11 Feb. 4

4.45

\*lodnetrial= 111.89-111.25 111.94 111.82 112.75 115.11 120.39

†Composite 100.74 100.22 100.52 700.73, 101.50 101.99 107.85

Feb. 9

3,99

10.85

7.64

4.27

Feb. Feb. Feb. High Low Righ Low

Jan. 🌣

3.87

11.07

6.13

Pet. 2

3.89

11.09

101.64

Year ago capprox.

3.35

13,88

5.79

Stocks on Wall Street recovered \$57%; the Defense Department certainties, rumours of increased to pay a modesi dividend for 1976, further ground in to-day's early said spending estimates for unemployment in January, and Allianz Versicherung fell DM9 trading buoyed mostly by bargain General Dynamics' F-16 fighter the stagnation of French industrial to DM396 on announcing that its hunting in a number of recently and Trident submarine over the production in December which is the production of the profit was not as high as

										54.8U 54.01 34.83 34.8C	, 37.00	31.0	, ,	,		116.4 70 44
				1		1976	e 17	Smeeon	nelasten		Glals	12/1/	7 <sup>2</sup> 1			
	Feb. 14	Feb. Feb. 10	). Feb.	. 6	; ; ; ;	Bigb	Low	, High	Low	WATER I.	P-L	Feh.	Feb.	Feb.	tg	76;17
Industrial	988.33	981 52 987.	99 935 8	4 942 06	946.31	1014.75	· 859.71	1051.70	41-25	MONTREAL	Feb. 14	. Îl	10	[9]	High	Lev
HomeB'nde*		91.83 9L	•			95.57	' (2·1) 85.68	111/1,73				179.56 178.20		177.99 176.82	307.38 (19/5) 199.78 (20/5)	161.34 (7.11) 162.16 (7.11)
Transport	228.74	224.24 228 .	97. 225.9	4 227.74	228, 19	6   77 ·   257,52   3.1 77 ·	15:71 175:69 12:1:	i 279.88 <sup>1</sup>	15.23	TORONTO Composite	998.9	399.9	989.7	598.5	1106.2   113/5/76	9 <b>20.1</b> (20.11 75)
litilines	105.69	108.68 W7.	17 107.94	1 109.53	109.47		84.8	165.52	18.58	JOHANNEGBURG	159.3	156.4	157.7	152.4	226.7 (12)31	115.3 (25 =
Tradice rate						:					170.0		100 3		21-11 (21.5.	1 172 2 2 1

		Feli. 15	Liona Libé	1977-77 High	976-71  218
	Australia (e	420,48	422.26	522,63	404.84
•	Belgium 🖖	96.19	94.51	114.10	- (26) b - (37.15 - (37.10)
	Denmark (d)	105.05	102,74	117,70	96.45
ı	France ic.	54.7		14.5	1/1.1 51.0 11/12:
•	Germany "	729,4	728.2	321.7	rvî.i
	Holland (g)			17/31 100.3 19/21	(19.10) (13.4) (19.4)
	Hongkong.	436.5F	456.16	46 - 35	فجر الحرق
•		67.94	67,82		(2 12) 64,35 .10:11.
,	Japani 👝	376,23	370.44	364.14	Sec. 201
				4/1/176	12/111

5ingapore in 254.33 (254.73 (264.16 · 236.5) (3.3) · (2.1

OVE	RS	EA	S SHA	IRE		INFOR	M/	T	ON		1nvest \$2.60	ment premius per £1—100}		
VEW Y	ORK		Street	Pélo.	Fets 11	Single	Feb. 14	Pets 11	Slock	Peh. 14	Fit.	Strick	Feb. !4	. 1
Stock	Fe%.	Feb. 11	Cerning Glass	46 2	6178 46 2814	dolmson J. braon	30 t611 5431	6514	Reviou Reviou Reviolds Netals	3778 365; 6414	377g 361g 641g	Zeroz	13.	-
bot Labs Mressograph	. 1376	44 50 15 54 30 5	Crane Procher Nel Crown Zellerback	2914 275 395	27': 40	Los Manuaguig Kaiser Abroomin	44 341:	4434 343	their sons Merret Bookwell Intern	25 to	25 14 32 18	Unite 3% 1495 U. 4. Trea 4.43, 1980	191	19
na Me & Ga r Products	2918	2974	Corrues Wright		484 154 264	Kareet Steel	3214 5	52 410	Robiu & Hars	42 is	5438	Us Press 4 \$15.85 U.S. 90 Hay bulls	4.61)	4.

			i .				_					
Stock	Fe%, 14	Feb.	Cerning Glass	623g 461g 4914	617a 46 2814	Johns Mauville, Johnson J. brison Johnson U. att 5d.	30 t61 <sub>1</sub> 343 <sub>1</sub>	ć514	Reviou	3778 363; 6414	3778 3612 6414	Zeroz
Abbot Labs	45 ls 1375 3079	44 50 15 54 30 5	Crane Net	275 395 4812	27': 40 485;	Los Mannagari's Kaiser Alaman'in Name Industries	341: 151:	3434 13434	High sons Merrel Bookwell Inter Robin & Hans	25 to 64 42 is	25 14 32 18	Clude 3% 1495 † U.A.Treas, 4% 1980 † US Frons 41% 15.85 †
Air Producta Aiste AlgoµAlurainiom Algos	2918 50 2614 5318	29% 26% 52	Dan Industries		153 264 32	Key	3214 5 1738 701	52 1712 4712 692	Royal Putch Russ Fogs Ryder Systems	5456 : 1134 : 151 <sub>8</sub>	5438 1114 1318	U.s. 90 Day bulls 4
Allegheny Lilm. Allegheny Power Allies Chemical Allies Stores	2319 21 4435 4414	227 <u>1</u> 21 441 <sub>4</sub> 4468	Pel Monre Peltons Retrons	29% 29 4% 29%	29 29 291 <sub>2</sub>	Kunterly Clark- Kuppers	2514 45% 2339 4412	4418 4312 45	Sales of Stores.  51. Jos Minerals.  51. Regis I's per  5ants Fe Inds	4914 3714 53 371 <sub>2</sub>	4834 37 3314 3712	CANADA
Alite Chalmers	24:8 4712	2515 5258	Detroit Elison Dismoodeliemek. Dictablione	15:2 35:8 12:6 46:8	1556 3556 1256 4431	Kroger Co	3514 4512 471	34 % 24 % 27 %	Soul Invest	31a 45e 1412	4 418 1538	Abilibi Paper! Agaico Lagle Alexu Abianonya
Amerada Hem Amera Aillines Amera Brands Amera Broadcasi	3514 1134 4574 3914	331 <sub>2</sub> 12 431 <sub>6</sub> 38%	Disney Wall Dover Corpn Dow Chemical	3814	3934 391 361 391	Libby On Fording	3451	3314 3434	Schlimberger SCM Scott Paper Soulli Migania	2014	5918 2114 191 <sub>2</sub> 2238	Algoria Steel Asheria: "Bank Montreal"
Amer. Can	39 2814 2378 364	391g 281g 24 361g	Dresser	39 ½ 130¾ 11¼ 41¼	101: 101:	Latte Che	4236 151 <sub>2</sub> 91 <sub>4</sub>	4215 1358 915 2.15	Sende'r Dan Vest, Sen Pontsiners Sengrant	714 : 281a   253a	714 2519 2534	Bank Nove See la Barie Hesources Bel. Telephone .   Box Valter Inde
tmer. Home Prod	29:1	29:	bart Air Lines	7:8	8	Long Island Lid.	15.8	1614	Searle His Danis	1178	1134	

,	354	331 <sub>2</sub>	Location schutterer	40.8	4421	Libby On Folding	334.	3314	Schlünberger	6014	5978	Alexu Abandani
٠ļ	1134	12	Disney Wall	38 1	39 <i>5</i> 4	seed on reducid	33.2	00.4	SCU	2014	2114	Algorna "Leel
4	1424		Dover Corpn	adlı '	391				SC N		1912	Ashesto:
4	4574	4516	Dow Chemical	364	36	Liggett liroup	345, 1	3434	Seed Paper-	1814		Bank Monuteal.
٠.	3914	3856	Dresser	39 Ju	3912	taggett moupe			Soulli Mrg	c 234	2238	Bank Sarangigui.
	<b>39</b>	391 <sub>8</sub>	He Boot		1291	Tally (Kh)	4238	421	Sender Duo Vert	714	714	Bank Norse See
1	2814	2812				Largen Turkustaa	1312	135g				Buig Hesouries
	43 B	24	Dymo Industries	1114	101.	Locknee-Literaft	91,	91,	con l'ontsiners	2819	2519	Bel. Telephone
-	364	3614	baght Picher	4114	41	Louis Stat Inda	4214	2.14	Seagrapi	253g	2334	Box Valley Ind
٠.	29:3	29:2	Bart Air Lines	718	8	Home letand bid.	15%	1616	Searle His Daniel	1174	115,	
•		1430	i Kasturan Keslak	731:	7114	Laureraua Laurdo	30!1	30.4	Soars Rosbuck	b2 44	63	DO Commercia
٠.	1418		Esten	41-4	413	Latin col	3314	53	SEULII	34/1	35	RL Commis
·í	414	410			-	Janeky Stores	1612	ĭñ	Shell Util	7712	79	liga-can
•	425a	41 18	F.G. & 6	193 <sub>8</sub>	19	L kes Y magsi wii	1156	1154	their Immepert.	54	345,	Victoria
•	28%	2812	hi Pawi Nat. Ga-	15	151,	The second industry in						Calgari Pawer
÷	3213	32 4	Elita,	281x	2012	MacMillian	912	973	regual	48 A	2778	Parpada Cement
·	6332	63 la	Gmery AirFright	36	55 se	Hacy R. H	54 àg	35 IR	Signorie Corp	3914	59	Canada N. Utar
	23	225	Linhart	37	37:	Mit - Banovetan	:911	36.€	Sumplicity Pat.,	134	13 3g	Cantagology Co.
	D14	<b>5</b> 11	E II I	5 Ja	32;	Hajest	445)	40	Singer	40%	2012	Canada Delus.
	2919	273e	Е.И.І		3334	Marie In at Utilia.	-7	≂ <b>6</b> 3₃	Smith Kling	7514	74.6	Can. Paging
•	2111	2114	Liigellani	3 = '3		, Martine Middand.	1213	11.3	Solution	414	217	Can. Paritie In
•	2914	29	L-mark	32.g .	32 >	Limball Field	2014 .	19.4	>uthlown	14.8	147g	Carr Theille III
٠.		20	Kthyl	42.6	431,		,		Southern Cal. Ed	2231	2314	Can, super Oil
٠.	3018		Exson	ა9	5123	1			Smilkern Co	1614	1618	Carling II'heel
٠ĺ	1114	1134	Farebild Contera	351,	3413	May Dept. Stores	275s	2814		5412	54 14	Cansair Aslesso
			Fed. Dent. Stores	4211	4214	MUA	3958	35 18	Stbr. Nat. Res			1
ð.	19 .	197e	Firestone Tire	227g	25	McDermott	47	4738	Southern Paritie.	35 Lg	2424	La bilation and the
	343a	361	Fat. Nat. Boston.	28:8	4956	WebonnellDoug.	24	2018	Southern Kallw'y	57 le	55 . 8	Lhiefiam Dev.
	£678 .	56′₄	Flevi. Van	13	13				Southland	2478	23 .2	Commer
	95a	976	Plane bases	20 lp ,	20:4	Metiraw Hill	1718	17 jg	Sperry Hureh	1612	1530	Cods Bathuest.
	143a	145g	Plankate			Merek	58.58	<b>-9</b> 74		3934	39 ly	Consumer has
•	1334	1312	Florida l'ower	29 A	2912	Merrill Lyneb,	- 1	2012	Spercy Rainl			Costain Rich
•	4412	44	Phorama	34 TB	35	MGM	1776	1734	>quibt	2934	2919	Deva Revource
•	2512	257a		ar-		Minn Ming & Mig	4916	4918	Standard Uranda	د 7غو ا	2758	Henreon Mones.
•			F. M. C	25 .	2574	Mobility or promoter	6414	5333	Std. DilCalifornia;	39⅓	39 7 <sub>8</sub>	Donie Mates
• •	25	25 a	Ford Motor	55 %	551	Monsulite	7514	7714	Sid. Pit Indiana.	D4 4	5412	Borne Peliolegi
•	3918	39:4	Toremost-Mek	1631	25 20	Morgan J. P	2373	337g	Sid. Off Office	85 4	8414	Bominion Bridge
	333,	34	Postero	4312	45%	Motorola	4612	46	Stand Chemica.	46	4554	Hamber

	19 '	1976	Prestone Tire	227g	23	McDermott	4714	4738	- Tourist and Lane.	95.
	343a	361	Fat. Nat. Bankon	28:8	4854	McDonnellDoug.	24	20 is	Southern Kallw'y	574
	€67 <sub>8</sub> ,	56'.	Flexi. Van.	13	13	Medican Hill.	1718	17 ig	Southland	247
	95a '	976	l'hnukote	2012 1	20:a	Merch	58.5	£974	Sperry Butch	161
	14%	145g	Florida Power	29 A	2912	Merrill Lyneb	د1ء د1	2012	"percy Rainl	393
	1334	1372	Phoram	34 76	35	MGM	177e	173	Squibbannan	293
S	4412	44 -		04.6		Minn Ming & Mfg	4916	491	Standard Uranda	473
t	2512	257a	F.M.Communication	25 is 1	257	Mobil Corp	6411	<b>5</b> 553	Std. DilCalifornia	394
h1	25	25 a	Ford Motor	555g	551	Monsulate	7514	7714	Sid. Dit Indjana.	541
Υ	391g	39.	Foremost-Mek	1631	2 S 20	Morgan J. P.	2374	357g	sid, Oll Ohio	85 4
	333,	34	Posts-ro	4312	45%	Motorola		46	Stand Chemica.	46
ioi.	3312	3312	Franklin Mint	2314	231-	Manage Land and	4612	28	Sterling Vrng	iš
<u>ی</u>	2479	2514	Freeport Minerals	2911	29	Mucphe Oilj	778		Studelaker	431
son.	323g	321g	Projetion	29 H	283 <u>.</u>	National Themless.	4831	4856	Sun Co.	451
	205a	194	Fugua Industries	125a	12	Sansi i nemitati	12د	3214	Sumbat tand	341
	463a	4512	1			Visional Can	1214	193	Synles	205
• R		2	15.A.P	19 % I	1212	l			Innely	39
cel.	36 kg	36	CHAMBETT	3512	35 <sub>30</sub>	S 115			les haredor	71:
r	171:	17	tion, Amer. Inv	1011	1014	\яг. Ittalillers	2414	2412	lektromx	5812
	4012	4019	MATE	32 sa	3312	Nat. Service Ind.	1439	1436	l'el-styne	593
!	29 38	29	fren Cable	110	12	National Steeling	45	42%	Telex	25-4
<u></u>	32 ag	3212	Gen. Itymamies	5718	55 sa	Nationals	4276	413;	lettness	343,
!	3 L 76	315a	Iven Electric	5114	50 °	NCR	-6.	35 5 <sub>8</sub>		344
••••	93.	932	Liencral Founda	32:0	321,	Nepture Int	2014	وادناك	Fesoro l'etroleum,	155
	114	1158	Lieneral Mills	3012	301.	New England El.	21.8	22	1-38co	471
	5314 .	6412	General Motors.	7012	59.	New England Let.	34 ,8	344	texasgult	293
•		_	Gen. Pub. Village	19	18-2	Nugrou Monay k	143,	14%	Texas Institution	£45
R	1512	16	Lien, Signal	51 4	51 12	N. L. Industries.	11	11	Texas Cula ties.	274
48	291	9914	tien. fel. Elect;	2P.se	29	Norfolka Western	225g	224	Texas Utilities	20/2
	1512	153	Gen. Tire	27 %	281	North Nat. Gas.	<b>5</b> 0 .	3018	Time Inc.	3513
i	26	2514	Gепечт	412	452	Arbu States Par.	45%	455;	Comes Marroyana	42 %
	193,	1912	Georgia Pacific	33 1	35	Milwest Airlines	287s	48%	Linthert	534
•	73	725	Getty Oil		209	Athwest Bancoru	3154	2414	I'mne	3554
t b o	4250	4211	1 '			Norton Stmon	1836	52 183a	Transamerica	145
	7212	70	Gillette	2614	2614	Occidental Petrol	24 %		Trans Game	3519
b,	373.	875e	Goodrich H. F	29-:	28 a	Order Mather	51 Is	411	leausway lut'eni	23 T
				^^.	00.					

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Beruichem Steel.	36 kg	' <b>3</b> 6	CHANDET C	3514	35 Ja	Nat. Bistillers	2414
Black & Decker	171;	17	Gen. Amer. Inv	1011	1014	Nat. Service Ind.	1439
lbeing	4012	4019	11.1TS	32 xa	3212	National Stret.	43
Borne Lascade		29	fren. Cable	113	13	Natorano	4274
Bonten		3212	Gen. Bynames		55 14	NCR.	67.
Borg Warner	<b>₫17</b> 6	31 ÷8	treu. Electric	5114	<b>50</b>	Nepture Int.	
Omnic lot	93.	952	bieneral Founts	32	321		2014
Heasean A		1158	Lieneral Mills		301	New England El.	21.8
Bristol Myers	5314	6412	General Motors	701	59.	New England Let.	34 ,8
		_	Gen. Pub. Village	19	18	Nugace Mainta	1434
Sril. Pet. ADR	1512	16	Lien, Signal	513,	5112	Nugers olure	11
Brockway Glass	291	9914	tien. fel. Elect	29.5	29	N. L. Industries	225g
Stupswick	1512		Gen. Tire	27 2	281	Apriolica Western	3U .
		153; 254	Gепеча	412	452	Anrth Sat. Cas.,	45:4
Bucyroa Erie!		1912	Georgia Pacific		35	Arbu States I'wr.	2874
Budd			Gerry Oil		209	Milwest Arrities	25 '
		725	1	202	1	Athwest Bancorp	315g
Burlington Nthu		4211	Gillette	2614	2612	Norton Stmon	1 ti dag
Barroughs	7212	70.1	Grantrich H. F	29-1	28:a	Occidental Detrol,	24 %
Campbell Soup	373;	875g	toosiyear Tire		2217	Oghvy Nother	514
Canadian Pacific.	164g	16 %	Godd		2924	Onto Edition	2014
Causi Randolph	814	918	tirser W. R	29 5	29	ulin	3938
Carpation	6813	5714	Grand Union	2034	19.		
Carrier & General	14	14	lit. Value l'ac Ten.		12.0	Overseus Ship	4654 ;
Carter Bawley	197g	, 191g	fort. North linn.		وازان	Owers Corning	6636
Caterpuller Tracts	49 se	49 36	Greyhound	1434	1478	Unena Ulimora	
CB2	3514	22	lizder	914			-25g
Chianese Corpu	4858	4778	12 mer		214	l'achte Ga	414
Central & S.W		. เธิ	Lirummon	19	18	Par. Lighting	1856
		_	liuli & Western.	15 la	1514	Pac. Pwr. A Lt	2256
Certain Tee !!	203 <sub>8</sub>	19%	Gult 901	2819	2878	Pan Am World Air	_45R
Cesena Aircraft	28	' 281a	Haliburton	57	5614	Parker Hannifin.	3614
Chase Maghallan	315g	. 3112	Hanna Mining	4913	49	l'estady Gation	2374
Chemical Bk. NY	437g	434	Harolschleger	19	1754	Penn Pwar Lt	22
Chesebreh Funda	223	2239	Harris Corjon	39	321,	l'ennes J. C	421 <sub>8</sub> i
Chessie System	353g	3512	Hernz H. J	313 <sub>4</sub>	5114	Pennaud	3312
Chicago Bridge	57	57	Heller W. E	207e	201	I'myles Urug	87a
Ohromatley	16	1614	Lieublein	98 4	291,	Cemples Gas	451
	203s	204				Pepeico	7212
Chrysler			Hewlett Packani	7138	70	* chaire	12.5
Cinerant	178	2	Holiday lans	1154	113,	1	
Cinc M dacron	574	36 4	H. mestake	2831	39 °	Perku blmer	181 <sub>n</sub> 1
Uilworp	3072	3034	Honey well	453g	445	Per	181g   307g
Claim service	571 <u>-</u>	-71-		10-0			-0.9

saję System	355g	3512	1114112 0. 2		314	יו
ago Bridge		' 57 <sup>-</sup>	Heller W. E			11
omalloy		1614	Lieublein	98 4	2912	1
rales	₹03g	204				ĮŁ
PPE DJE		1 2	Hewlett Packani		70	1
: 31 dacron	574	36 4	Holiday Jans	1154	113 <sub>q</sub>	ł
	3072	303	Homestake	Z834	59	11
corpes s'ervico		5736	Honey well	453g	4454	! ř
investing		1558	Henrer	1218	1214	ľľ
	76 4	1039	Hose Corp Amer.	£ 634	2678	lг
. Cola		7612	Houston Nat. Gas.	32	52 °	۱Ł
ale Palm	2434	2410	Hutton L. F	1634	161g	ίĒ
ng Aikmab	12	1214	I.U. Industries	834		۱ì
			LNA	424	42	ļ j <sub>e</sub>
22 bjs (ias)	287s	283	Ingersol Rand		7014	١'n
mbis Pict	1032	11	inland Steel	4578	-6	į
1nsCo ct.Am.	1412	143g	lanico	1436	1438	ļ
bustion Eng.	4856	4936	,	T-LAB	1	P
bustiva Kq	:44	2331	lotercont En'r'si	11	11	ľ
with Edison.	30	297g	181	274	267.26	1
w'th Oil Ret.	64	63,	ioti. Flavora	193e	1252	P
m. catellite.		3314	iati, Barvester	3812	381	۱'n
Kdison N.Y.		215	Inti. Min & Chem		413,	ŀ
ui Foods	25	2514	luti. Multifords		1912	١į٠
ul Nat. Gas.		3712		314	3114	þ
sumers Fower	2139	2118	lacy	53	53	ļį
dneat Grop		357g	loit l'aper	3034	رد0ه	۱þ
Linental Oil		22.8	IPG	644	344	
i pental Tele		354	loti. Tel. & Tel	139		Į,
		163g	invent	021-	15g 225g	
troi Data		2978	Inva Beef	9212		K
per indu		404	U International.	125a	1234	K R
nor Hazzen	24	8.41	Jim Walter	0040	3670	ı K

Stocks on Wall Street recovered further ground in today's early said spending estimates for further ground in today's early said spending estimates for funding buoyed mostly by bargain dental subnating over the hunding in a number of recently and Triedent subnating over the production in December which the production in December which as continued into January.

The Day Jones Iodustrilation of the children of the second a fresh gain of average recorded a fresh gain of average recorded a fresh gain of the NVES All Common Indeed up 81½ to 150 for a 1943-0 at mid-day, while to 450 for a 1943-0 at mid-day while to 450 for a 1943-0 at

6	Allianz versicherung ien Date	•
ı	to DM396 on announcing that its	¥
ı	1976 nel profit was not as high as	
	in 1975.	f
ì	Public Authority Loans rose up	Īi
•	to DM0.25 in calm trading, and the	ï
t	Regulating Authorities sold	•
	DM26.1m. nominal of stock [18m.).	d
	Mark Foreign Loans were main-	r
	tained.	n

onlinued Ialk that	il ma	y decid	le (i	zing, i	n very thin t	rade.
F.Y.S.E. ALL COME Pet. Feb. Feb. Feb. 14 11 10 9 54.80 54.87 54.89 54.8	. HLgl	97.6/77 h ! Low h : 37.00 h :2:1.7	<u> </u>	lerner Down	es and Fails Traded - 1,865 715 Rights - 33	Feb. 14 Up= 711 Same= 441 New Lows= 23
			Feb.	Feb.	197	6;17
CONTREAL	[4	Feb.	10	9	High	Lev
Industrial Cymbined	178.60 177.86	179.56 178.20		177.99 176.82	207.38 (19/5) 199.78 (20/5)	161.34 (7.11) 162.16 (3.11)
ORONTO Comunite	998.9	399.9	989.7	598.5	1106.2 (13/5/16)	920.1 (20.11.7)
HANNE6BURG Light Industrials		156.4 178.9	157,7 180.5		226.7 [12/3] 2(2.0) (21/6)	115.3 (25 c. 115.6 (v.)
					Feb. Pre-	1364-11; terri.

	ioj:1 159.5		7.7 152.4 232.7 [13/5] [15.5 (2: :-	
ognati	raej-, 179.6	178.9 : 18	0.5 180.0 ( 2(±.0 (21/5)   175.6 ( ) ).	NOTES: Overseas prices shown below
			Feb. Pre. 1364-77, len- 1	reclude 9 premium. Selgian divideods are after withholding tax.
			15 vious High Let	• OM50 denom, unless otherwise stated
Feli.	Pro. 1474	F77 976-71		Plas 500 denom, unless otherwise stated
15		gh Leis		4 Kr. 100 denom, unless otherwise stated.
				> rs.300 denoni. unless otherwise stated.
23.48	472.26 522	.63 404.84	Swedon ic 385.91 579.94 \$76.95	Ven 30 denom, unless otherwise stated.
		8) (26) 14	19 bi	2 Price 21 time of suspension,
96.14	94.51 114	.10 91.15		a Florins. b Shillings. c Cents. d Oivi-
		26 (20/10)		dend after pending rights and/or scrip
62.05	102.74 117		1 2 3 1 1	saue, e Per shale, / Pranes, g Gross
		જો તેમન		tiv h Assumed dividend after scrip
54.7			indices and base dates tall base values	ind or rights issue, k Alter local
04.1		(5) (1/12)	100 exc.pl NYSE All Commun-	taxes, or a tax tree. a Francs; including
729,4	728.2 (2)			United div. it Nom. q Share split, s Oiv.
1_0,~		/51 (2.10)	300-1,000, the last-named based on 1975.	and yield exclude special payment, I indi-
\$1.4		3 71.4	14) Sydney All Urd. 1bi Belgian, 2E	cated div. a Unufficial trading, v Minority
01.7		Grapis.	31/12 60. rdi Copenhagen 5E 1 1 77	holders only a Merger pending, " Asked
7.5 4.0			(e) Paris Bourse 1961, 111 Commercant	Bid Traded, Seller, Assumed
27.2F	450. In 45		Occember, 1953, (2) Amsterdam in	ar Ex mahrs, ad Ex dividend, ac Ex
e2 01		151 10 lg	dustrial 1970. Thi Hang Seng Kara	ser p sive. In cr all, a loterim since
67.94			31-7 64. (kt Milan 2/1/73, 1m) fokto	mercased.
	125	zer alterlib	aria da in manana ariana. Issu tokan	macus ar

a c	indices and base dates tall base values
4	100 except NYSE All Commun-
ī	at, Standards and Pupra-19 and Income
,,	300-1.000, the last-named based on 1975.
4	rar Sydney All Urd. the Belgian sE
5.	31/12 65. rd (Copenhagen 5E 1 1 77
). S	(e) Paris Bourse 1961. 111 Commerciali-
	Occember, 1933, (g) Amsterdam in
5	dustrial 1970. thi Hang Sens Bart
•	21-7 64. iki Milan 2/1/73. imi fokun
٠,	New SE 4,1768. (n) Straits Times 19nc
ĩi	ipi Madrid SE 31/12-78. (O) Stockment
; <u>'</u>	Industrials 1/1/38, 1rt Swiss Bank Curp
	31. 12/38. Int Unavallable. : Excluding
ı	bonds * 400 lodustrials, 7 400 lies
	40 Utilities, 40 Finance and 20 Transport
	rei Closed.
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### 01!%)

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			Court, Gumml	66.8	17	:
	52:	51!.	iJa:niler	344		- 7
	13'4	12.3	15-211-58	237.2 -0.5	18	
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1+93		54.3	Lightelie	274.2	20	
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			Hapag Unyilining	109 -0.5	12	- 5
			Harrymen Dankor	156.2 - 2.3	9	- 5
			Hogelist	138.5 - 1 1	14	
			Hoeselr	45.6 + 0.3	_	
-		- 1	Kah sala (Ompoul	111.5 - 0.1	7	
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	•		Kauthof	209.5 + 0.5	20	4
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agle	4.10	4.05	Krupp Prh Ombo	100 +1		
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GERMANY +

d. 4.8.F. ..........

Prices + or Div. Ylu

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693 | -3.5 | 16.5 | 5.1 |
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60 | -1 | -2 |
438 | -9 | 37.8 | 8.6 |
1.396 | -14 | 5.7 | 4.1 |
165.4 | -0.5 | 16.5 | 9.9 |
989 | -5 | 12 | 4.2 |
259 | -4 | 25.9 | 9.4 |
65 | -0.95 | 13.76 | 29.0 |
102.5 | -2.3 | 14.1 | 13.9 |
49.7 | -1.5 | -1 |
25.9 | -2 | 16.5 | 5.3 |
188.4 | -0.9 | 15.76 | 8.4 |
25.9 | -0.2 | 1.6 | 5.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -11 | 30.6 | 9.6 |
1.40 | -1.4 | 7.5 | 10.7 |
946.2 | -5.0 | 15 | 5.1 |
38.5 | -1.5 | 11.8 |
71.8 | -1.3 | 9|12.7 |
94.6 | -3 | 22.6 | 3.8 |
71.8 | -1.3 | 9|12.7 |
94.6 | -2.3 | 24 | 11.8 |
171 | -4 | 14.5 | 7.5 |
29 | --- | -- |

Suez Liumson Smoot.

**AMSTERDÁM** 

Fel. 15

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Feb. 15 Frice 1+111

COPENHAGEN

Abribi Paper Agnico Lagle Agnico Lagle Alexu Montronni Algoria Steel Ashesio Bank Montreal Bank Montreal Basic Besources Bel. Telephone Bew Valley Inde:	95; 4.10 27; 17; 20 137; 40 17; 49 49 42; 42; 43;	4.05 27 17 201 <u>9</u> 1375 1978
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llosne on 'A'	284	
tionine vii A	20.g	293,
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Ma-sey Ferguson	19-4	20
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egrams, likerit (G Miner lebeus O. G. mines O. Mines O	1712 44 15 558 1478 4.80 243, 2.00 11 2714 1754 1613	171 <sub>2</sub> 241 <sub>8</sub> 161 <sub>8</sub> 56 <sub>8</sub> 447 <sub>8</sub> 4.85 441 <sub>4</sub> 2.00 †111 <sub>4</sub> 27:3 175 <sub>4</sub>

### Pound improves

Information with the properties of this edition.

Among casier Non-Perrous technical general properties of the propertie

The Japanese yen declined in Y2837 in in terms of the dollar from Y281.371 previously, and the Monetary Fund in Washington.



U.S. S to Montreal. U.S. \$=\$102.62.54 Canadian cents.

Canadian S in New York. U2=97.55-52 U.S. cents U.S S in Milan 882.20-882.50.

Sterling in Milan 1600.00-1801.25. \*\* Rates for Feb. 14.

7 days netter —	412.414	7-8 71s-81s	6-614	4.44	8.34 9.24
Month 18:2-1653		812-870	6-63a	414-434	152-154
Three mouths, 1512-16	5-5:4	812-Big	61g-61g	412-453	1-2-1-
Six months 15.1512	512-534	7-a-8	6:4-6.4	4. 4.	12
tur year 1478-1538	6-614	78	614-65	472.5	24.24
Euro-Frenco deposit					
one-month 16-104 per ce	ni.: three-i	month 103-11	l per cemi;	S.X-Morth	11-11: per
coni: une-year 112-121 po	r cent.				_

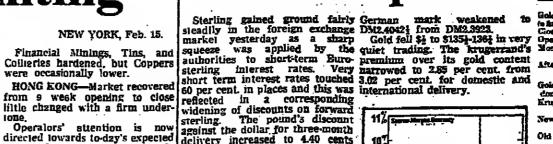
coni: une-year 115-12; per cent.

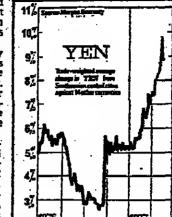
Lunger-term Eurodollar deposits: two years 7-72 per cent.: three years 77-73
per ceot.: loar years 73-73 per cent.: five years 73-53 per cent.

The following normal rates were quoted for London dollar certificates of deposits normal 41-15 per cent.; three-month 41536-5136 per cent.; gir-month 53-53 per cent.; one-year 53-6 per cent.;

Rates are normal closing rates.

7 Short-term rates are cell for sterling, U.S. dollars and Canadian dollars; two days, notice for sufficers and Swiss france.





SPECIAL DRAWING						
RIGHTS RA	TES					
Citic of H is	Feb. 14	Feb. II				
precipe	0.675455	0.67489				
C.S. dollar Beigian tranc.	1.15752 42.5215	1.15548 42.663 <i>&amp;</i>				
Prench tranc	2.77029 6.75401	2.77881 5.74678				
Itatian live	1021.11	1019.36				
Japanese ven. Dutch gullder.	627.598 <b>6.89554</b>	2.90661				
Swedish Grone!	4.61020	4.92177				

Feh. 15	: Franklurt	New York	Paris	Brussels	London	'A' eterdam	Zurich
York* aris russels andon	15,50,53 4,63 <sub>6</sub> ,105	4,9695-9795 \$6,70-75 1,704-705 2,4990-5017	7.37-39 6.471-484 50.255-305	2.7250-75 13.544-569 62.60-75 6.808:-813:	2.4425-467 62,36-40 4.5463-2515	40.01.03 138.76-9.16 14.55-70 14.56-71	192.4-8 14.F3.66 4.284-294 79.735-836
ırich	134,£6,75	2.5122-32	50.50-54	€.235-45	4,2730-765	100.37-45	

EURO-CURRENCY INTEREST RATES*						
Feb. 15 Sterling	C.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	hane hane	
Short term — 7 days notice	412-414 4-x-4-78 4-5-4-78 5-5-5-4 5-6-14	7-8 71g-81g 812-87g 812-876 7-3g-8 7-5g-8	6-614 6-634 6-634 618-612 6-12-64 614-655	4.414 4.4436 412.453 412.453 412.5	5.54 9.24 153-154 1.2-1.2 1.3-2 24-236	

AUSTRALIA

		Ц
Feb. 15	7eb I	•
21351 <sub>2</sub> -1361 <sub>4</sub>	\$136-136	
\$1351;-1361; £185.00	\$136-156	
-1-14-1505	279.834	
	\$136.45	
	,Leo.025	ŀ
1384-1404	5139 to 14	
	21351-1361- 21351-1361- 2135-90 279-8851 3135-90 279-8871	£79.8851 £79.834 \$135.90 \$136.45 £79.857) £80.025 1382-1404 \$1394-16

Gold Coins,			Ì
Krugerard	1384-1404 (£814-824)	\$139 to 14 £8214-83	
NewSor'r'gos		246-48 1227-28	
Old Sov': ges	845-47 £261-271 <sub>7</sub>	346-47 -2619-27	I
Gold Coins (Internality		:	

Eragerand ... \$1385; 140 % \$1391; 14 ... £814; 4234; 42824; 42824; 54648 ... £27.28 ... £27.28 ... £27.28 ... £25.26; 542.44 ... £25.26; 525.26; 5224.227

	FOREIGN EXCHANGES						
١			Martet	lintes			
	Feb. 16	Bank Cates %		Class			
	New York Montresi Amsterdam Grussels Copenh gen Frankfurt	5 0 16	62,26-62.60 0.99-i6.09 4.05-4.11	1.7460-1. 4.261 <sub>3</sub> -4. 82.88-62 10.87 <sub>4</sub> -16 4.091 <sub>8</sub> -4.			
	Lesiora Madrid Milan Coln Pacia Stockholm Tease	61g 7 15 6 101s	55.08-65.60 115.80-117.60 1.436 1.586 8.324-9.99 5.44-9.43 7.17-7.23	55.40-56			

### GTHER MARKETS

Zuren 2 4.251.4.30 4.281.4

	; ·	Notes	tin tea
Accepting	512.45 612.6	SACCENTURE	470.56
A Matralia	1.5447-1.560	ALIET ITO	28 la - K
Q	21.24-21.44	Market and	1 66 4
T	6.50-6.51	77	371
FIZZERE	DO COO GA OT	Jules III	24 ?
TALKAGE	62.699-64.27	ATTACK	
Mog-Kong	7.9125-7.530	Webmerk.	. 12.53 IC
743	118-122	France	18.40 D.
Kuwaii;	D.486-8.496	g set man 2	4.09-4
Laxembr.	62.60-62.75	Greene	65 69
Malayman	4.2450-4.253	distr	:1:8e-13
N. Zeniam:	1.7727-1.790	Jalan	4.80-0
	5.55-6.05		
Sive-te town	4. 1800-4. 1910		B 63.
N 200	1.4630-1.454	Dorde and	G. 35
V. A. J. C.	1.4030-1.4044	diagram "	23.I
U.S		Janu	113-14
Canada		38114 land	
C\$1		g., 5	
L.D. crets	37.57-97.50	Transfers	52.8

Rate for Argentine is free rate.

### - FORWARD RATES

	One month	Three mouth
New Yer	1.65 1.55 c. pm	4.45-4.35 c. [**
America:	1.30-1.20 c. pm	3.50 3.20 c. pn 10 4 9 4 c. pc
		1.10 90
	I orepa I oredic	
	433 <i>53</i> 5 pt. jpn 20e. pm 09estry	115-1812 pt est
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SALES THE	554 45e . pm	147g-137g c. L
	b forward U.S. -month 12.93-12.9	
		, ,

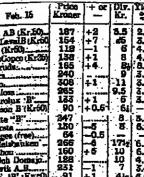
Peb. 15 Vol. Cr.37.9m. Shares 17.1m. Source: Rio de Janeiro 55.

-3.1 OSLO +0.05 +1.-2 Fea Feb. 15 | Free | For | Div. 15

**	POTAMINESSORIS		
	MINES		
93	Feb. 13	Rand	+0
95	Anglo American Corpn	4.03	+6
-			
ői	East Oriefonteus	8 60	
,,,		1.40	
t.	Sarmony	<b>t</b> 5 00	-0
	Kinross	4.30	i
	Ricof	6.20	~-6
ï	Rustenburg Platinum		+0
10	51. Helena		
3		5.40	+0
ī	Gold Fields SA	17.30 x	aï.
13	Union Corporation		- 1
2		3.90	1
ĩ		5.07	
	East Rand Pty	4 00	-6
6	Free State Geduld	219.00	-6
	President Brand		−ē
-	President Stevn		-i
	Welkom	2.50	1
2	West Oriefontein	28.00	4
0	Western Holdings	122.73	+0
2	Western Deep	11.25	
ė	INDUSTRIAL	•	
2	African Explos, and Chem.	2.03	+0.
	Anglo-Amer. Industrial	7.30	70.
. !	Barlow Rand	2.78	
-1	CNA Investments	t1.40	
	Carrie Finance	10.41	+0
. [	Oe Beers 7odustrial	±7.40	70
١.	Edgars Consolidated Inv.	2.23	+0
ı	Edgars Stores	₩4.50	
:1	Edgars Stores	21.12	
1	Federale Volksbeleggings	2.10	a.
٠l	Federale Volksbeleggings . Greatermans Stores	2.95	

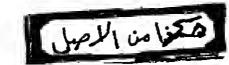
).t	P20. 10	760		. =	. 2
7	Asahi Giana	344	+4	14	2.0
Ö	Lanca	575	_1	-	=:`
7.Ŏ	Dal Nippon Print	574	+1	18	1.1.8
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.1	Hippatal	- 22O	-1	10	4.5
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- 1	La leohannan	85ء	—Ь '	12	41
_	Lio Yokado	1.913	_10	· 30	0.8
d.	ARDED VILLIDES	7.287			
å l	kanssi Blect. Pw.	818	+22	- 9	5.6
.1	Korostsu	<b>3U</b> 5	-3	18	8.0
	Kubota	. 347	5	15	€.2
.3	Marsushita   nd	687		20	1.6
٠2١	Mitaubiahi Bank.	285	-2	10	1.8
-81	Mitsubish! Heavy	124	—z	12	4.8
69.50	U taushibiCo	481		13	1.4
۱۳:	Fitsh F Co	467	—5	14	1.0
	Mitsukoshi	945	****	20	Вв
.6	Numer Motor	701	+8	16	1.1
	Pioneer Bl'execute	4127	+50	-30	U.7
3	anyn Electric	239		12	2.5
.ə į	shiseido	1.441	-10	25	1
۱ ۵		4,490	-20	ซน	ع.د
4	Cushio Matter	- 51 <u>2</u>	+3	11	1.8
9	Calceon Chemical.	400	-4	15	3.0
4۱	Педи	160	-1	12	4.6
	lorio Marine	-61 '	+6	11	1.2
ا و.		808 .	+22	יענ	6.8
6	Tokyo Sanyo Elec	<b>528</b>		12	- 1.9
· <u>:</u>	Frankilon	151	<b>-3</b>	Ju.	4.1
5	LOTES	146		12	4.8
	N	3 9 10		10	~-

	Kmper	_	*	8		• • •			
·	1541 <sub>2</sub> 300		£10	6.4	STOCKHOLM		•	;.	
	1691 <sub>2</sub> 155		18 11	8.8	Feb. 15	Price Kroner	+ 02	Div.	Y
ı	287 <sup>1</sup> 4 145 367	+ l2	12 13 12	4.2 9.1 5.4	AFA AB (Kr.50). Alfa LavalB (Kr.50 Assa (Kr.50)	187 154 118	+2 +7	5.5 &5	9
	144   4 84 34 28 1 15	+ 1 4 + 1 4	18	6.8 11.9 4.9	Atheronia	158	+1 +4	8	4
ı	25212 1204 1583	-1 1 +14	12 12 11	4.9 10.1 7.2	Cardo	308 265	+1	9.5	10/01
Ì	3041g 26314	-12	11 12	5.6 1.6	Electrolus 'B' Priceson B (Kr50) Essette "B"	155 90 -	+0.6	6 <u>.</u>	- -
					Fanersta	150 64	-5 -0.5	- B	8
	Price	+0=	IJv.	Yid	Hanfels suken -	266 160	6	171	6





SPAIN The Pebruary 15



### offee tops tonne

Richard Mooney EE PRICES surged to r peaks yesterday as a new

r peaks yesterday as a new of buying hit the market is said the buying, which March coffee futures by to £3,211 a tonne, included speculative and chartist st.

ewed physical offitake, cong bigh prodocer prices and supplies were cited as lying factors, but traders he rise mainly as an extentiful formation of the green family as an extentiful following a further rise in the flowing a further rise in the flowing a further rise in food committee next week in a special discussion paper prepared by the party's research department.

It gives atrong hacking to the green pound also bern the surpluses of agricultural produce the formation of the green pound also bern the surpluses of agricultural produce the flowing a further rise in the following a further rise in food consumers and noroducers. Until discussion paper prepared by the party's research department.

It gives atrong hacking to the green pound also bern the surpluses of agricultural produce the British could no tonger afford to buy.

This would offset to a significant extent and package plan for the 1977-78 that a deventure the forthcom
"We must abandon the fiction of common prices and introduce a pricing system which reflects the needs and interests of both following a further rise in food committee next week in a special discussion paper prepared by the party's research department.

It gives atrong hacking to the green pound also bern the surpluses of agricultural produce the party's research department.

This would offset to a significant extent and prices and introduce a pricing system which reflects the needs and interests of both following a further rise in food committee next week in a special discussion paper prepared by the party's research department.

It gives atrong hacking to the green pound also bern the surpluse of agricultural produce a pricing system which reflects the needs and introduce a pricing system which reflects the needs and introduce a pricing system which reflects the needs and introduce a pricing system which reflects the consum borts circulating in London
10 per cent, rise in the

rictax may have aided the rise hot these were taker of from Rio de Janetro by razilian Coffee Institute.

The paper warns that a devaluation of the "green pound" ——the artificial currency rate used to transtate EEC farm prices into U.K. terms—would have a sarlous effect on food prices in Monday afternoon's upand the May position ended is higher at £2.344.75 a tonne. It sources said the rise was graged by a firmer tone in York and a targer than ted Dutch January grind lighted of 11.490 tonnes (9,970 nuary, 1976).

The paper warns that a devaluation of the "green pound" monetary compensatory amounts resulling from the devaluation. The paper claims that the valuation of the "green pound" common Agricultural Policy is in a state of continuing crisis. Common Agricultural Policy is in a state of continuing crisis. Common Agricultural Policy is in a state of continuing crisis. The paper claims that the valuation of the "green pound" would have a sarlous effect on food prices in Britain.

Any price increases resulting from the devaluation. The paper claims that the valuation of the "green pound" would give an effective understance in the paper of the paper of the EEC as a whote—at some and the May position ended in the interest of the paper of the EEC as a whote—at some and the May position ended in the interest of the paper of the EEC as a whote—at some and the monetary compensatory amounts resulling from the devaluation.

The paper claims that the common Agricultural Policy is in a state of continuing crisis.

The paper claims that the valuation of the "green pound" would in the in their living standards.

Common Agricultural Policy is in a state of continuing crisis.

The paper claims that the valuation of the "green pound" would in the interest and the "green pound" would not be in the interest of the EEC as a whote—at some and the May position ended in the paper of the EEC as a whote—at sources said the rise was price to shore up, at the expense for Britain to give in to pressure to shore up, at the expense of the

### 7orld silver irplus stimated

PARIS, Feb. 15. (G shortfall in world silver uction was turned into a I surptus last year by a high of Indian exports and by t Germany melting down r cotns, hullinn processors farm prices be said that the bunic Lyon-Alemand Louyot housewifa had traded down to \L) sald here. its latest monthly hulletin, go much further.

sald production tast year ed 7.589 tonnes and con-::: tinn 13,126 tonnes.

Germany melted about 871

### Report warns of danger to social contract

BY JOHN EDWARDS, COMMODITIES EDITOR

### U.K. food bill 'to rise £600m.'

THE LATEST EEC price pro-

yesterday.

Calling for a freeze on all EEC farm prices be said that the housewifa had traded down to the point whera sha could not go mucb further.

to EEC price tevels.

Additionally there would he swall part of our result of the point whera sha could not go mucb further.

Additionally there would he swall part of our result of the point whera sha could not go mucb further.

Additionally there would he swall part of our reduction of the point will be no less than 24 per cent, at the end of this year," be said.

He said that the industry badly needed a return to suffi- food policy came from Mr. Archie alone the duty was adding £4]m. cient profitability to finance McNlcol, chairman of the U.K. to the price consumers bave to investment, but it did not wish Provision Trade Federation, last pay on Items which either could to increase prices to the extent night, writes Peter Bullen.

not he supplied at all or only

The extra £600m, would be needed to he sorted out, he told

posals will add ahout £600m. to caused by the combined effects the Federation's annual dinner housewives' shopping bills this of the average 3 per cent in in London, was the bigh duty on year, said Mr. Derrick Hornby, crease in farm prices, a devalua many items of foods from third president of the Food Manufaction of the "green pound" and countries such as canned fruit. the two final transitional steps yesterday.

"Although Europe can only supply a small part of our re-

Further criticism of the EEC's On salmon, tuna and pilchards

### mellings and recoveries to increase prices to the extent night; writes Peter Bullen. ed about 6,000 tonnes. g a surplus of over 300 s. About 1,700 tunnes were lifed as exports from Legic. Brussels bid to end pig subsidy scheme

BRUSSELS Feb. 15.

### First offer of Soviet softwood

By A Correspondent

EXPORTLES, the Soviet atale selling organisation for forest products, made its first offer of softwood to the U.K. market last week for this season.

The nominal quantity is 400,000 cubic metres which, if

the Russlens follow their usual practice, will be topped np according to demand. Soviet sales to the U.K. last year totalled 1.6m. cubic metres. The price agreed averaged

over the five grades shows a rise of just under 10 per cent. which is in line with recent offers to Holiand and West Germany. Terms of the offer include a currency clause which provides for direct

teaving a surplus around 1.8m. tonnes including preferential imports under the Louie Convention with African, Caribbean and Pacific Countries.

**CALIFORNIA** 

### Worst-ever drought threatens crops

refers to Molland and West of Germany. Terms of the offer in clade a currency clause which provides for direct adjustment of the price and expectably area. The usually "dry" snuthern making them cligible for low parks, golf courses, freeways and making them cligible for low parks, golf courses, freeways and making them cligible for low parks, golf courses, freeways and interest televal loans upplies from the Caloraria there was month bargaining over the pricea and especially "wet" northern over the pricea and especially "w

become the worst drought in the state's history.

Reservoirs continue to sbrink as state and local officials begin preparing emergency plans to allocate water reserves where last year, prompting President cial customers by 25 per cent., most occaded, primarily in the parched northern and central areas.

The usually "dry" snuthern part of the state is drawing additive of the state is drawing additive of the state is drawing additive of the state is from the Colorada Theorems of the state is drawing additive of the state is from the Colorada Theorems of the state is the Colorada Theorems of the state is from the Colorada Theorems of the state is from the Colorada Theorems of the state is from the Colorada Theorems of the state is the Colorada Theorems of the color

GOVERNOR Edmund Brown, Jr., grocery and mest prices, shut mandated.

of California, has left open the downs of food processing opera- Martin County, north of San possibility of state-wide water tions, job layoffs that would add Francisco's Golden Gate, is one retioning to combat what may to California's high unemploy of the bardest bit. Officials there become the worst drought in the ment rate and fewer purchases of have adopted water rationing.

### Vote on amended wool plan

BY ROBIN REEVES

A DATE at which the Government will be required to suspend payment of the special subsiding the U.K. Government of the payment of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the payment of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the payment of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the special subsiding the U.K. Government of the standard of the surposed with bis 1975-77 European Sugar balance. This compares subsidies on baccon and canned bams was unfairly based, or a proposed scheme for the Australian Wool Corporation to buy was pursuing its legal action mentary UnderSecretary at the were too bigh.

BY ROBIN REEVES

BY ROBIN REEVES

BY ROBIN REEVES

A DATE at which the Government will be decoded to Sandard and zinc life the special subsidinction for the ment will be required to suspend the underly that the U.K. The next set is the 'Setting of Agriculture, of the ment will be dead of the European Sugar balance. This compares to be 1976-77 European sugar balance. This comp

### COMMODITY MARKET REPORTS AND PRICES

of Liverpool (Founded 1858)

wish to point out that the Billington Group Company operating on the London Commodities Futures Markets is:-

> EDWARD BILLINGTON (COMMODITIES) LTD. Cunard Building, Liverpool L3 1EL

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| Silvin | Boliton | + or | L.M. 8. | + or | Substitute | Fair interest throughout | Silvin | LMS—Turnover 224 1174) lots of 19.000 om. Mording: Three months 273.7, 73.8, 73.7, 73.6, 73.8, 73.7, 73.6, 73.8, 73.7, 73.6, 73.8, 73.7, 73.6, 73.8, 73.7, 73.6, 73.8, 7

COCOA

In mitially quieter conditions, consumer buying found sellers reluctant and market closed steadily near the day's highs, reports Qill and numus. Sales: 5.085 15.5481 lots of 10 touces. International Coton Agreement (U.S. cents per pound: Daily price for Feb. 14 189.14 (173.49). Indicator prices Feb. 15: 15-day average 174.50 (173.74); 22-day average 169.51 1169.34).

GRAINS THE BALTIC—Grain markets remained generally quiet with traders bolding back pending the outcome of EEC larun minusters talks in Brussels. Wheet: U.S. Bark Nothern Spring
No. 2, 14 per cent., March 198,30, AprilWay 197,55 transhipment East Coast. EEC
1966 Feb. 587,90, March 197,50, April Feb.
198,75 East Coast.

ASE METALS

at DRA three months DRS 54, 54, 44, defaure to 16 field before a feeles on the Peb, and March RS 80 East Coast. Other e. and f. U.K. for Peb. shapment: 10-or Carbotic Cash Visb, three months RS 51, 54, 64, for Rev. 16 field in the months of the Cash Visb, three months RS 52, 54, 64, 55, Kerk: Three months EAS. Increment RS 100 per 100 yards, and the control of the Cash Visb, three months EAS. Increment RS 100 per 100 yards, and EAS. Increment RS 100 yards, and

COFFEE

INC. Official — Unofficial — Uniformation — Uniformatical — Unif

E per tonne 3182-185 + \$5.05162-129
3810-812 + 118.5729-118
3205-307 + 112.5729-119
3101-900 + 105.63205-118
5180-190 + \$7.575-729
3180-190 + \$7.575-729
3170-200 + 105.6358-149 | Silver was fixed ip an ownce higher for | Silver was fixed ip an ownce higher for | Silver was fixed ip an ownce higher for | Silver was fixed in the Landon bullion market | Silver was 126.50. U.S. ceal rouliva. | Silver was 1311-900 | +108.63205-11 | Sovember was 1311-900 | +108.63205-11 | Sovember was 1311-900 | +108.63205-11 | Sovember was 1311-900 | +108.63205-11 | Silver was 1311-900 | +108.63205-11 |

the Feb. and March ES5.00 East Coast. Other e. and f. U.K. for Feb. shipment: 10-oz Crimson 2.00-2.30, Cranny Smith 20-15 PRICE CHANGES

Crimson 2.06-2.30, Cranny Smith 26-lb 3.05-3.50, 44-lb 5.68-2.0: Italian: Per pound, Golden Belicious 8.10. Cramy Smith 3.15, Starking 6.09, Romes 0.80, Belforts 0.08: Tyrolean: Starking, cell pack 8.12: Hungarian: 40-lb Starking, cell pack 8.12: Hungarian: 40-lb Starking 2.00. Pears—Per bound Italian: Passacrassane 1.30: S. African: Clapp's Povourite 34-lb 4.50. Williams 2.00. Caretten carrong 8.30. Yomatoes—Canary: 2.00-3.60. Bollens—Spanish: 6.00-7.00: Americap: 5.90-6.00: Polish: 5.00: S. African: 12 kilos 2.20-2.40. Cucumbers—Canary: Per 10-15 pre-packed 4.00: Spanish: 3.00-3.30. Letroce—Batch: 34.3.20: French: 12-1.90. Potatoes—Italian: New, 20-lb basket 2.50: Canary: 121-kg 3.30; Cyprus: 7.00: Majorca: 4.00: Esyptian: 4.00-4.50. Cacillienters—Jersey: 24-6.00. B.30: French: 24-6.00. English produce: Apples—Per poond

### Canada exports

Pree Market /cist... \$955 279 

-0.45 £81.D 683 5 

Pet. 15 Pet 14 distill age Year age 1627.9 1621.7 1601.0 1224.6 DOW JONES Pet. Peb. Aunth Spot ... 598 68.598.15 382.79309.12 M0004.2 15 34 10-cember 1 1931 - 1001

COPRA, Philippines—March to May 5365 cosellers in tonne cif North European ports.

### U.S. Markets

NEW YORK, February 15. Coroa—Chana spoi 1904 isamei. 5ahla spoi 1804 isamei. March 174.00 ioamei. May 171.00 i178.001. July 166.50, Senj. 160.95. Dec. 147.95. March 142.20. May 187.53. July 133.00 nom. Sales: 2,221. | 187.55. July 133.00 nom. Sales: 2.221.
| Coffee="C" Contract: March 244.60.
| 243.50 | 1241 001. Mar 244.72 (241.721. July 244.M bld. Sept. 244.33 brd. Rec. 242.23. March 239.75-240.15. Sales: 1.525.
| Copper=Feb. 64.30 164.001. March 64.40 164.101. April 64.90. May 63.49. July 66.40. Sept. 67.30 Rec. 68.40, Jan. 65.50. March 69.60. Sales: 5.210. 8.20: French: 24 6.06.

English produce: Apples—Per pound aranley's Seeding 0.67-0.18, Cax's Oronge Pippio 0.10-0.16. Pears—Per pound Conference 0.10-0.14. Comitize 0.12-0.14. Potatoes—Per bas 4.06-5.06.

Carotis—Per neil 12-4-2 1.50-2 50, Le ince—Per 12. Cabinages—Per Net 4.00. Spring greens—Per Net 4.00. Spring greens—Per Net 4.00. Spring greens—Per Net 4.00. Spring greens—Per Net 4.00. Calliflowers—Per 25-10. Net 1.00-11. 10-11.

| 2004-2004 (2604) July 268-2664, Sept. 2644| 2084-2002 (2604) July 268-2664, Sept. 2644| 2084-2002 (2604) July 175-200 (2604) July 181-200 (2604) July 435-40, April 440-50. Stay 442-50, July 435-40, April 440-50. Stay 442-50, July 435-40, March 460, May 481-20, Sales: 7,500, March 460, May 681-20, Sales: 7,500, May 192-733 (7334), July 733-7344, Aug. 7312, Sept. 7031, Nev. 6004-600, Jun. 6034, March 7604, May 7644, benyishean Meal-March 207-30-207-30, July 211-50-212-20, Aug. 21-50, Sept. 204-29, Oct. 194-00-194-50, Dec. 193-50-193-80, Jun. 194-00, March 194-50-104-00, May 195-50, Soyabean Oll-March 22-72-22-71 (2273) July 23-23-23, Aug. 23-30, Sept. 23-30, Get. 23-35, July 23-23-25, Aug. 23-30, Sept. 23-30, May 23-30-23-30, July 23-23-23-30, Sept. 23-30, March 23-30, March 23-30, May 23-30-23-30, Sept. 23-30, July 23-23-25, Aug. 23-30, Sept. 21-20, Britanness, July 23-23-25, Aug. 23-30, Sept. 23-30, March 23-30, March 23-30, May 23-30-23-30, Sept. 23-30, July 23-23-25, Aug. 23-30, Sept. 23-30, S 186.70 bid., July 39.20 189.00 bid., Oct. 39 50 bid., Nov. 36.00 bid.
20 20 May 64.13 asked (\$3.70 bid).
July 82.40 182.10 bid., Oct. \$5.00 nom.
5gariey—May 64.13 asked (\$3.70 bid).
July 82.40 182.10 bid., Oct. \$5.00 nom.
5gariey—May 25.56 bid 192.20 bid., July 31.40 asked 190.501, Oct. \$2.20 bid.
distraced—May 25.56 bid Isamel. July 257.60 asked, Nov. 281 00 nom.
Wheat—SCWRS 13.5 per cent. protein content of St. Lawrence 377 1378.
All cents per nound exwarehouse unless mherwise stated. "Cents per 60-16 bushel er-warchouse. \$5's per 1100 lbm.hel er-warchouse. \$5's per 1100 lbm.hel. \$1's per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents per 1100 lbm. Ny' bulk lank tars. \$1' Cents and Allon. \$1' ager troy nunce lor 30-ounce units of 99.9 per eent. parity delivered Ny. "Ceals per 69-16 bushel in 510re. 11 Cents per 58-16 bushel in 510re. 11 Cents per 58-16 bushel in 510re. 51 bushel. \$2' cents per 48-10 bushel er-warchouse. \$1,000 bushel lots.

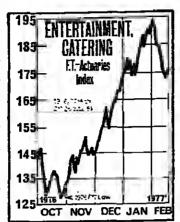
### Little relief to U.S. wheat

WASHINGTON, Feb. 15. THAW during the week to February 13 gave little relief to the moisture shortage of the U.S. winter wheat crop, much of shich was fully exposed, the U.S. Agriculture Department said to-

The Florida sugarcane harvest was very active and young cana remained in poor condition. Livestock feed supply re-mained critical in all areas except the Pacific north-west and some of the north central area.

### STOCK EXCHANGE REPORT

### Partial rally on reasonable demand in light trading Gilts up to £1 $\frac{1}{8}$ better and share index up 9.8 at 376.1



### FINANCIAL TIMES STOCK INDICES

1	15	14	îî ;	ĬĊ	ã	R	- ug
Government Secs	65.15	64,43	65.90	66.45	66.04	65.87	63
Fixed Interest		64.72					
telustria: Ordinary	376.1	366.3	581.5	389.7	367.9	502.2	40
Gold Mines		104.5					
Opl. Div. Yield	6.10	6,25	6.02	5,90	5.94	5.90	5
Earning T'id Z (foll)		19,97	19.23	19.84	18.98	18.B6	15
P.E Batto (met) 1"4:	7.40	7.22	7,49	7.65	7,59	7.62	9
Dealing marked		7.590	7,255	6,499	6,904	7.935	6,
Equity turnover £m.		78.18	83.87	66.40	74,96	77.23	67
Equity hermains meal.	_	16,328	17,812	14,940	15, 162,	17,216	15.

Basis 10 Mines 12/10	99 Govt. 1,'55. SE	Secs. Li. Activity	10/26. F	ixed int. c. 1961.	S.E A	a. Dos	
	Left left	<del></del>	High i		·	Feb.	F=5
Gost. Sers		55,85 (c),12; 55,37 (b) 13	147.4	49.16 .5.1-75. 50.53	(faily— Got-Edged Iminatrials Speculative Locals	42.5 160.8	249. 258. 43. 172.
Ind. Ord Gold Mines.	420,8 (4)01 246.0 2,1176	78.8	545.6 140.5 444.5	42.5	day Ar'r'gr Gul-Edged in lastrals Speculative Fotass	230.1 234,6 51.0	244 259 54 164

Account Dealing Dates Having bad time to a explanations put forward to the largest forward	tter and share index up 9  assess the Midland ended 10 higher at 255p. 15 to 385p in a thin markel of for last in Foreign issues. Hungkong and G. W. Sparrow put on 5 to 130p the deficit, Shanghal added 5 to 358p; the pre- and improvements of 4 were	to the sharply increased profits Evode, 52p. W. Canning, 41p, and with an advance of 7 to 147p, after Thermal Syndicate, 20p. ICL a 1976-77 high of 148p. Among hardened 4 to 179p and Gripper.	Government Secs 65.15 64.43 65.90 66.45 66.04 65.87 65 65 64.68 64.72 85.57 65.65 66.54 66.40 65 65 66.40 65 65 66.54 66.40 65 65 66.54 66.40 65 65 66.54 66.40 65 65 66.54 66.40 65 65 66.54 66.54 66.40 65 65 66.54 66.54 66.54 66.40 65 65 66.54 66.54 66.54 65 65 65 65 65 65 65 65 65 65 65 65 65
Dealings tions Dealings Day Jau. 31 Feb. 10 Feb. 11 Feb. 22 Feb. 14 Feb. 24 Feb. 25 Mar. 8 Feb. 28 Mar. 10 Mar. 11 Mar. 22 "New time" dealings may take place from 9.30 a.m. two businesse days earlier. Gleaning some comfort from covery unally to 8 full morn at the longer as	h Funds liminary results are the next recorded in Leonard Fairciouso, sharp fall Tuesday. Discounts rallied in sym- 162p, and Magnet and Southerns tyers took pathy with gittedged securities. 127p. Maricy hardened 2 to 59p mediately Cater Ryder did particularly well as did Marchwlet 10 122p and k, despite at 240p, up 15. Alexanders rose 10 Tarmac to 140p. Norwest Holst os, a detro 190p as did Allen Harvey and a 100p, on the other hand, lost 3 a lively Ross, 390p, with Union similarly of the previous day's speculative did the rehigher at 295p. Awaiting the next gain of 61 which owed much to point and move by Provident Financial 12 press suggestions of bid possible of the better at TD) in the bid situalion, butter at Edward Mallanders loss	were Acrow A, 55p. Babcock and Wilcox were similarly dearer 8t and Lawtex receded 3 to 24p. Screk following the fortunes of Associated Engloeering moved up 3 to 84!p, while Westland put on 3 to 62!p. Among smaller-priced issues, Arthur Lee made belated response to Press comment and hardened 1! to 13!p, but losses	Equity turnover £m. — 78.18 85.87 66.40 74.96 77.25 67.  Equity hergains total. — 16.328 17.812 14.940 15.162 17.216 15.1  18 a.m. 371.5 11 a.m. 375.5 Noon 375.2 1 p.m. 375.6 2 p.m. 375.4 2 p.m. 375.5 Latest index 69.24 3026.  *Based on 57 per cent. corporation (ax. Ni=7.34 Basis 100 Gord. 15.10.28 Fixed int. 1928, Ind. Ord. 17.15. Ind. Mines 12/10/55. SE Activity July-Dec. 1941.  HIGHS AND LOWS S.E ACTIVITY
appointing January trade figures, making an impression buyers made themselves felt ment was the feeling treatment was the feeling ment was the feeling ment was the feeling ment was the feeling treatment was the feeling interest rates had independent of the set of the set of the set of the fell set of	on send- that if to 40p in Hire Purchase, where the stable wagon Finance ended 3 up at 54p.  by both maturities A similar ong the r Issues live with the previous	clates were unchanged at 16p class were unchanged at 16p class. 20p. and Group Lotus, 20p. 25p, end Group Lotus, 20p. 25p, end Group Lotus, 20p. 25p, end Group Lotus, 20p. North Sea slocks were in full class care at the short of the cry once again yesterday as buyers returned. Associated Newspapers rose 12 to a 1976/77 peak papers rose 12 to a 1976/77 peak papers rose 12 to a 1976/77 peak of 160p, while Thomson put on 10 reasonable trade. J. Lyons improved a to 65p with the help of Carless Capel and Leonard were call coulon business white capes.	High   Low   High
of slock to leave many dispro- portionate cains. The FT 30-share portionate cains. The FT 30-share index was at its bost of the day at 1 p.m. when it was showing at rise of 10.3, and the close was 376.1 which represented a rally of the day's newcomer, Fine thousand in given and in given and in given and form el- the day's best at 11.3 permium. for a net ga Corporations followed reaction in the main f lost a point in places.	better at 90p to front of to-day's results.  A disappointing set of retal sales figures failed to determine the rally. UDS added 3 at 571 and Marks and Spencer were penny dearer at 97p. Press comment in front of to-day's AGN attracted renewed interest.	238p. end Associated Datries, 222p.  J. Bibby continued firmly, rising 5 in a 1976-77 peak of 124p for a two-day gain of 9 on fresh speculaities support. United Bisentt, et 135p. recouped the previous day's loss of 4, while Brooke Bond, 44p, and Spiller's, 281p. both finished 11 harder. Avana hardened 11 to Monday's fall to close 4 higher 181p hull Watson and Philip at 70p and Shell, et 486p.	Associated, 60p, and Estates holds 8.57 per cent. of Amax, Hnuse, 205p, put on 3 and 4 respectively. Bishopsgate Property and General Investments, at 41p. dured a dull trading sess recouped a penny of the previous Monday's revival of ectivity day's loss of 3 which followed South African Golds: petered
ant British Funds held fully firm a the end, the recovery here strending to 1; in long-dated samest a slightly lower sales after the previous day's alls to 2!. The Government becarrities index picked up nearly to the softer tendency, half of Vinday's loss with a close was extremely narrow dise of 0.72 to 65.15, still 1.30 of ast week's 3'-rear peak of 66.43. Secont speculative favouriles in equilies became more prominent.	trend in y markel. ontributed, but the premium and the down at better but the volume of trade rday's SE left much to be desired. Coomerus 10.7604 cial Union picked up 5 to 112p and Royals added 8 to 300p, while at 204p, while Plessey were 2 to 21p as did to 21cp as did w. H. Smltb A to 352p.  Decca better  Leading Electricals staged a useful raily, with GEC closing thigher at 183p and EM1 3 degree and Royals added 8 to 300p, while at 204p, while Plessey were 2 to 21cp.	closed 2 easier at 44p following retrieved to the previous day's acquisition news. FMC, at 71p, loss of 14. Local interest in geve up 3 of the previous day's British Petroleum wes sufficient speculative gaio of 7. Supermarkets made modest headway. Wall Street influences end the Lennous responded to Press compent with e rise of 2 to 37p, while to 914p. Fairly aggressive specusifializer improvements were seen lative inquiry developed for in Hillards, 128p, and kwik Save, 148p. Awaiting fresh developments bid hopes were intermingled in the bid situation. Gateway with renewed North Sea	ceeded its borrowing limits and the buildon price, which is continuing negotiations for a finally 50 cents off at \$13: moratorium with the relevant per ounce. Indeed, worthy for profit-taking in R. Kitchen Taylor, which, at 34p. extended to a half-point in gave up 6 of the previous day's gain of 17. Grimshawe eased 2 penoy 10 11p in front of 10-day's interim figures, but small buying interim figures, but small buying linearly and 10 in the lipping interim figures, but small buying finite in 430p. left the priced issues such as East 1 finite in 430p. left the
ica oil interest, while Properties yesterday in fine Increase oil interest, while Properties yesterday in fine Increase of the market as a whole was group's; the shares opnore responsive to encouraging closed at \$277.  Widesoread calus were ecorded in the FT-Actuation indices, the three main group Monday's sharp fainlices all improved by about 1 retrieved by the big for	arporated, if forestry dere prominent again in Brokers were prominent again in Brokers were prominent again in Brokers despondency caused by the forth-coming Price Commission inquiry into the industry's profits and moved higher in quiet trading. Bass Charrington, at 00p, recouped 4 of the previous day's fall the previous day's fall of 5, while A. Guinness hardened and Tuhe Investments, helped by the previous and the previous day's lost ground and Tuhe Investments, helped by the previous day's lost ground and Tuhe Investments, helped by the previous day's lost ground and Tuhe Investments, helped by the previous day's lost ground and Tuhe Investments, helped by the previous day's lost ground and Tuhe Investments, helped by the forest were all the previous day's lost ground lost on the profits warning for the full year.	62p in sympathy with e rise of 2 recovered 4 to 133p end LASMO to 207p in Linfood. Apart from 3 Labrolt, two points cheaper at a 1976-77 low of £28 on the first-half loss, Hotels and Caterers were generally better where changed. Ladbroke finished 12up 2t 921p and Grand Metropolitan 3 higher at 67p.  Worthown a special for the present, there was little fear of the trend heing reversed in the near future.	Textiles closed narrowly mixed.  Courtaulds ended 2 harder at 99n, after 100n. Reliance Knitwear responded to Press comment with a gain of 2 to 18!p; while Notting-ham Manufacturing hardened a penoy more to 67p following London-registered issues to Press comment on the results to retreat by a penny ur so John Haggas contrasted with a quiet trading despite the still of the 11k Industriant recovery recovery of the 11k Industriant recovery recov
ere 7.055 compaced with 7.590 to 1979, while similar in Monday and 7,955 on Tuesday ments were seen in Barel last week.  and National Westmins	retheoring rese 31 to 61p.  Buildings rallied well, but the Brown, still e popular issue to up 12 volume of business was small, picked up 4 to 148p, and Vicker improve.  AP Cement, at 173p, recovered 5 the same emount to 148p Pays 1ays, 247p, of the previous day's fall of 6, followed with e gain of 8 to 164p ter, 217p, while International Paint edded while Herbert Morris responded	The miscellageous industrial Land Securities rebounded 5 to leaders staged a useful rally from 152p and Stock Cooversion pulled the depressed levels which followed 6 to 173p, but the feature lowed Mondey's announcement of of the day was undoubledly a record trade deficit in January. Bernard Sunley. Renewed specu-	report, while David Dixon closed market. Among the 2 easier at TSp on the first-half African-based stocks "Amprofits setback. Carrington and Genral Mining both red Viyella finished marginally to the common price of cheaper at 261p in front of to-day's but Rand Selection improve preliminery figures.  Tobaccos saw a reasonable in Coppers, ZCI eased trade before closing firmly, Imps to 20p owing to scattered tweere fractionally harder at 661p. nental inferings, while half industries Deferred, nums Rasienburg fell a new teasure of the common price of the common pr
These indices are the joint compilation of the Fi  EQUITY GROUPS : Tuesday, Febru  GROUPS & SUB-SECTIONS	irosa Fai, Eai,	improvements of between 8 and after opening lower in 34Sp. Swere recurded in Rank Organical Colored 5 higher on balence at sation, 170p. Reckitt and Colman, 360p. Peachey revived with e 1940p, and Beecham 398p. Else-22In of 21 to 45p and Land and where, further consideration of the recent sole of a subsidiary in the recent sole of a subsidiary in the peachest revived with e 22In of 21 to 45p and Land and House were noticeable et 65p. The recent sole of a subsidiary in the sole of a subsidiary in the sole of the peachest through the sole of the peachest revived with e 22In of 21 to 45p and Land and House were noticeable et 65p. Investment Trusts took a lurn after 151p, while De La Roe, en for the better, closing on a firm outstanding market of lete on the excellent third-quarter profits, interest in the absence of recent added 10 to 310p. Trading state-small persistent selling from the	Primrose provided e late dult spot in South African Industrials, closing 6 cheaper e; 86p following the stares in over the reduced first-balf profits.  Amax marked down  A feature of mining share markets was the £41 fall to £361 Exploration recovered from
(2) Building Materials (31)122.39 -1.2 20.85 (3) Contracting, Constructn. (22) 195.74 +0.9 22.56	teld Y Ratio   Batto   No.   No.   No.   No.   No.	ments prompted gains of enything public. Investors Capital finished from a penny to 4 in Aaronson 2! up at 62p, after 64p, following Eros., 53p, Bath and Portland, 38p, Press comment, while Oil and ACTIVE STOCKS  No.  Denomina- of Cinsing Change 1976-77 1976-77	of a bearish circular issued by an balance at 375p; the con a leading American broker; announced a net loss of \$ London's Selection Trust, which for 1976.
(6) Engineering (Generall 166) 133.90 + 1.0 20.02 17) Machine and Other Tools (9) 69.95 - 1.4 26.91 (8) Miscellaneous (22) 125.66 + 0.6 19.62 (9) CONSUMER GOODS (DURABLE) (33) 127.98 + 1.1 20.40 (10) Lt. Electronics, Redio TV (15) 141.16 + 1.1 19.35 1111 Household Goods (13) 139.57 + 0.2 21.51	8.51 9.65 9.63 68.99 70.48 71.85 72.06 66.84 72.87 45.29 156.70 19.96 7.40 7.48 7.41 125.12 126.81 128.53 128.53 130.48 141.94 90.45 177.41 49.65 11161 12 15 12 12 12 12 12 12 12 12 12 12 12 12 12	Slock   tion   marks price (p)   on day   blgb   low     Cl	Deal- Deal- Declara- Scille- ings ings iton ment Feb. 8 Feb. 21 May 5 May 17 Feb. 22 Mar. 7 May 19 May 31 Mar. 8 Mar. 21 Jun. 9 Jun. 21 For rate indications see end of Share Information Service Calls were dealt in Ladbroke, Berry Wiggins, Barelays Bank, Burmah Ott, Lennons, Imps. London 2nd Northern, Marie-
(13) CONSUMER GOODS (NON-DURABLE) (170) 139.32 + 1.0 17.60 (100) 145.26 + 1.9 17.35 (115) Wines and Spirits (6) 157.34 + 0.8 16.04 (16) Enlertainment, Catering (15) 176.02 + 1.8 17.99 (17) Food Manufacturing (21) 154.07 + 1.7 19 08	7.14 8.59 8.51 157.89 140.82 144.33 144.68 157.27 162.24 t04.41 226.08 61.41 (42.76) (57.15) 146.273 15.1273 8.23 8.67 8.67 143.23 145.31 152.00 157.12 171.50 179.43 111.17 e81.67 69.47 (52.76) (52.76) (52.76) (52.76) (52.76) (52.76)	Marks & Spencer 25p 10 97 + 1 108 70  Marks & Spencer 25p 10 97 + 1 108 70  Thorn Elec. "A" 25p 10 224 + 2 288 134  The nbore list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).	Barnett Christie Ltd 12 Chemical, Weterford Glass, Newman Industries, Thomson Organisation, Guest Keen, ICL, Cricentrol, Courtaulds, British Land, Invergordon, Town and City and J. Lyons. Puts were Lione in BAT Industries, ICL, Seecham, Berratt Developments and Cavenbam, while doubles overe arranged in Charterhell  Barnett Christie Ltd 12 Bremer Holdings Ltd 13 Bremer Holdings Ltd 13 Canada Permanent AFI 12 Capitol C & C Fin. Ltd. 13 Capter, Bowater Co. Ltd. 13 Cedar Holdings
Packaging and Paper (12)   98.05 + 1.1   18.52	4.88 13.01 15.01 217.40 219.22 ee2.64 216.35 179.36 262.64 148.46 260.20   55.08 8.22   8.28   97.03   98.87   101.89   102.72   108.30   112.50   72.34   153.69   43.46   68.3   11.42   11.41   114.61   115.89   118.24   117.31   133.44   136.27   72.34   136.24   72.39   52.68   8.89   10.26   9.52   152.56   135.09   138.50   137.66   177.99   183.49   96.76   255.72   65.76	Shara intermation Sarvica vesterday Trafford Carpaia Salata Intermation Sarvica vesterday Trafford Carpaia Intermation Sarvica vesterday Trafford Carpaia Intermation Sarvica vesterday Trafford Carpaia Intermatical Intermation Intermat	Thance, Dunlop. Burmah Oil. Thomson Organisation, ICI and Seecham. A short-dated double was taken out in ICI.  RISES AND FALLS  Up Down 5 same Trinish Funds  Up Down 5 same 12
728, Miscellaneous 151) 146.2e + 1.0 17.74	5.63 8.50 8.50 204.70 209.55 214.85 212.82 215.55 231.36 155.10 251.56 71.20 6.44 7.85 7.83 87.61 88.50 91.29 90.70 87.63 100.16 53.35 246.06 45.34 6.13 11.45 10.44 425.87 439.14 438.42 437.57 400.60 45.50 308.48 517.00 99.60 8.10 8.46 8.46 445.44 148.75 153.36 153.19 167.02 172.93 108.14 258.33 60.39 60.39 60.75 80.30 848 517.00 99.60 8.10 8.46 8.46 145.44 148.75 153.36 153.19 167.02 172.93 108.14 258.33 60.39 60.39 60.75 80.75	BB and EA G.R. IHldgs.1 Croydex Seia Tilnsy Worth (Sond) Of La Rua Walsham's TRUSTS (1) Drek Grp. (1) NEWSPAPERS (2)	Coole   Cole
1351 Banks 16] 145.16 +5.0 23.65	6.10 a.67 8.71 174.27 176.02 179.90 179.41 174.13 166.x5.125.80 \$\(\begin{array}{cccccccccccccccccccccccccccccccccccc	Interest rates decline  Bank of England Minlmum Lending Rale 12 per cent. (since February 3, 1977)  Interest rates decline  money opened at 117-12 per cent. In and closed at 117-11 per cent. In A general improvement in the supply of day-to-day funds may it	Industrial Bank of Scot. 12  Keyser Ulimann
(38) Insurance Brokers   110)   247.81   +0.9   12.40   13.01   Merchant Benks   115)   61.28   -0.2     140,   Property   1311   162.88   +1.2   4.57   (41)   Aliscellaneous   (61	5.53   12.04   12.04   245.52   248.81   252.54   252.61   220.63   276.90   178.27   276.90   156.86   166.82   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27   276.90   178.27	Short-term fixed period interest decline in rates, and yesterday be rates declined quite sharply in was the first devisince December by the London money market yester. It was the first devisince December by the London money market yester. It was the first devisince December by the London money market yester. It was that the authorities did not not make loads evailable to the discount houses.  It is a load to the market in supply, and near future, and lenders of funds although a large amount of help of tended to concentrate business was given to the market tols may the shorter end of the market, here been somewhat overland to the sound in the sound in the shorter end of the market, here been somewhat overland to the shorter end of the market, here been somewhat overland the shorter end of the market, here been somewhat overland the shorter end of the market, here been somewhat overland the shorter end of the market, here been somewhat overland the shorter end of the market, here been somewhat overland the shorter end of the market is the shorter end of the market, here been somewhat overland the shorter end of the market, here the shorter end of the market.	nd the houses were also delibed y an excess of Government dis- nrsements over revenue pay- nents to the Exchequer. On the ther hand repayment was made f. Monday's official advances to the market.  Discount houses paid 12 per ent. for secured call loans in the early, part and closing there were taken at 7-10 ner loans were taken at 7-10 ner loans in the carry were taken at 7-10 ner loans were taken at 7-10 ner loans in the carry were taken at 7-10 ner loans were taken at 7-10 ner loans in the carry were loans in the carry were taken at 7-10 ner loans in the carry were lo
144  Overseas Traders 117)   229.23 +0.1   18.52   18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52   18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52   18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52   18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52     18.52   18.52     1	6.53 7.57 7.58 229.63 234.02 256.30 236.76 233.72 254.47, 178.31 254.47, 97.37 254.47, 178.31 254.47, 178.47, 178.47, 178.47, 178.47, 178.47, 178.47, 178.47, 178.47, 178.4	cating 10 fairly snarp fails in leading to suggestions that banks of periods of up to three months may be carrying over surplus of the nne-month starling certificate balances. The cuthorities gave pyield fell to 112-113 per cent. assistance by buying e small of from 122-112 per cent., while in amount of corporation bills and the interbank market one-week ellgible bank bills, and 2 large n  Sterling  Feb. 15 Certificate one-week ellgible bank bills, and 2 large n  Local Local Authority negotiable Rouse Rouse leposite deposite  Theregighs	rent In the interbank market vernight loans opened at 115-115 United Bank of Kuwait 12 er cent, and declined to 5 per ent at the close.  Rates in the table below are ominal in some cases.  Siscount Treasury bills at Bills below are below bills at Bills below are of the Bank Bills below are committee.  7-12 Treasury bills at Bills below are of the Bills below are stated by the below are committee.  7-12 Treasury bills at Bills below are proposed and some of the one are proposed and some of the one are proposed and the proposed a
2 20-yr. Govt. Stocks (6) 50.67 †12.88 50.00 5 20-yr. Red. Deb. & Loans (15) 50.26 †14.71 50.33 4 Investment Trust Prefs. (15) 49.96 13.92 49.96 5 Conil. and Indl. Prefs. (20) 67.88 13.30 67.88 Section or Group Base Rate 8ase Value Section or Group versuas Traders 31/12.74 Base Rate 108.90 Missing Finance	tup Saso Date Sase Value 1962 with quarterly highs and lows. Divident and	2 days of dec.   13-1214	12   115

FT-Actuaries Indices are immunications Limited la i Telegraph Group1 on as

CONSTITUENT CHANGE:

Slock De	nomina-	No. of marks	Clasing price (p)	Change on day	1976-77 · blgb	1976-77 low
ICI	. []	17	330	+ 3	402	236
Burmah	. 11	14	70	<b>-</b> 4	20	23
Shell Transport	25p	14	496	÷ 6	524	352
Borclays Bank		13	247	+12	350	190
Bb		12	914	+10	950	557
Grand Met	\$0p	11	. 67	+ 3	88	41
NatWest		11	217	÷12	273	168
Unllever		11	424	+14	500	346
BATs Deid	A-	10	208	+ 4	243	153
Commercial Union		10	112	+ 3	158	75
Courtaulds		10	99	+ 2	169	73
EMI	~~~	10	204	+ 3	277	173
Lucas Inds		10	222	+ 7	250	123
Marks & Spencer		10	97	+ 1	108	70
Thorn Elec. "A"		10	224	+ 2	288	134
The above list	of octiv	e stock	s is based	on the nu	mber of i	bargains

### **NEW HIGHS AND LOWS FOR 1976/77**

### OPTIONS TRADED DEALING DATES

### RISES AND FALLS

		Up !	Down	58
	British Funds	62	0	
	Corpus. Dom. & Fareign			
	Bends	6	15	
i	Indostrials	-413	280	,
	Financial and Prop	177	102	Z
	Oile	14	4	
	Plantation		. 2	
	Mines	21	32	-
	Recent lesses	3		
-				_

British Funds	62	Down	580
Bends	412	15 284 102	95
Plantation	14	. 4	3
Mines	3	32	. 2
Totals	707	456	2,400

Company	Discount market deposite	Treasury tills #	Bligible Bank Bills o	Fine trade Bills o
1212	7.12	=		: = : <sup>-</sup>
_	t11g 115g	· · · · · · ·	_	_
	r 15g	114	1134-114	15
. —	1176	441.44		13-125 <sub>2</sub> 15-1, 1 <sub>2</sub>
_	114	TT-4-11/3	*****	13 L.L
		7	****	

bils 13-12; per cent.

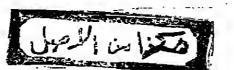
Approximate selion rate for one-month Treatury bilts 16313; per cent.; two-milli-1152; per cent. Approximate sellon rate for one-month bank bills 113-11916; three-month 113-1156 per cent.; one-month trade bills 125 per cent.; two-month 1

### BASE LENDING RATES

Close 371-379 INSURANCE BASE

Property Growth ..... 19

Cannon Insurance ..... 11-



Target Tst, Mngrs, Lid. v 121(g) 51. Gresham St. EC2 Pealings: 62

Sun Alliance Fund Mangmt, Ltd.

Sun Life of Canada (U.S.) Ltd.

Target Life Assurance Co. Ltd. Target House, Gatchonse Rd., Ayleabury, Ayleabury (0236) 5947

Transluternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

8 Bream Bidgs., EC4 1NV. Tulin layer, Fd. ... 111.2 117.11

Tyndall Assurance/Pensions

Windsor Life Assur. Co. Ltd.

Tyndall Assurance/F
IB. Canringe Road, Bristol
Way Jan. 20 18
Equily Jan. 20 18
Equily Jan. 20 19
Froperty Jan. 20 18
Deposit Jan. 20 18
Deposit Jan. 20 17
Deposit J

Save & Prosper Group 4, Great St. Helens London ECSP 3EP 69-77 Queen St. Eduaburgh EM2 4NX bealings to 01-34 8599 or 031-226 7854.

Save & Prosper Securities Ltd.

110, Crawford Street, WIH 2AS.

Property Growth Assur.

Equity Fund (A)
Equity Fund (A)
Money Fund (A)
Actuarial Fund
Gilt-Edged Fund
Gilt-Edged Fund
Gilt-Edged Fund

Perulon Fd. Uts...... Conv. Pens. Fd. ..... Cnv. Pus. Cap. Ut.

Holbom Bars, ECIN 2NR.
Equity Fd. Feb. 10. [E17.25]
Fro. 10. [E17.25]

Tenbridge Mutual
Tenbridge Wells, Kenf.
Rail Prop. Bds. | 185.8
Royal Insurance Group
1. North John St. Liverpool
Royal Shield Fd. | 196.3 1:
Save & Prosper Group
4. Gl.S. Helen's, Lndn. ECF 3
Bel. lev. Fd. | 191.4 1:

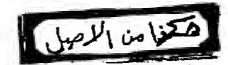
A. G.S. Fielen's, Lodn. ECSP JEP. 01-354 8899

Bel. lav. Fd. 100.4 107.4 -0.9 |
Property Fd. 1126 4 127.2 -0.6 |
Gill Fund. 14.0 109.5 4-0.3 |
Pepcul Fd. 113.1 122.3 4-0.3 |
Equity Peps Fd. 129.4 136 6 +01 |
Prop. Feps Fd. 129.4 136 6 +01 |
Prop. Feps Fd. 129.7 168 4 |
Prices on Feb. 16 "Feb. 16 "Feb. 4 |
Schröder Life Group\*

Entarwase House Perturnants (755 27.73)

NEL Trust Managers Lid, v (aug)

New Court Fund Managers Ltd. (g)



M & G Group (vkexz)

### AUTHORISED UNIT

THE STOCK That Tot. Mars. Ltd. (2)(g)
2065
207-011 Hambro Groupy (al/g) Britannia Trust Management(R)(g) Formula Seca.

Gen Fund

Gold & General.

Growth

Inc. & Growth

Inc. & Growth 'spås Id Få 46 75 -0.7 10 55 30 24 7 94 40 7 +0.1 7 95 42 14 +0.1 7.72 Mineral Tot. She
Minerala
Not. High Inc.
ow Issue
with American
Ventional
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100 Old Broad St., ECEN 1EQ 61.386 6073 (sd. A. G. Far East)

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Income 54.5 57.4 7.6 Income 2 (sd. C. Far East)

Frican on Feb. 16. Next dealing March 2 Carliel Unit Fd. Mgrs. Ltd. (4)(c) vs Unicorn Ltd. (a)(x)\(\psi(c) Chieftain Trust Managers Lid Wal(g) tegate Progressive Mgmt. Co.V Croscent Unit Tst. Mgrs. Ltd. (a)(g)

Increasing Income Four Norwich Union Insurance Group (b) ret lav. 226 Equity & Law Un. Tr. M.V (2)(bxc) 13. Christopher Street, E. Oceanic Managers (anti Target Tst. Mgrs. (Scotland) (atth) 35 9ml +0.31 5.91 53 8 +0.31 5.66 47 21 +0.21 6.75 UK Equity Fond Eber Cap. Acc .... Eber General .... Friend's Provdt. Unit Tr. Mgrs. 603 -0.1 581 1954# - 6.52 636# -1.7 3.18 61.5 +0.3 3.82 31.3 - 5.0 31.9 +0.1 4.53 Commodity 56.3 Comdty Pens 6 182 6 Energy 574 Fin eta! Sees Fd 575 Shor Floancial 27.2 Eber Prop Share 38.3 High-Malorum Pands MOS SORE 25, Milk St. ECZY &JE. 01-8057070 Transatlantic and Gen. Secs. Co.V Second 1141 (Accom Units) 166.6 Special 711 (Accom Units) 1114 Pearl Trust Managers Ltd. (2)(g)(z) 8 01-405-8411 211 477 23.6 +0.1 477 23.3 +6.1 7.68 30.2 +0.1 540 37.2 +0.1 5.40 252 High Rolbern, WC1V TEB Pearl Growth Fd. 119 6 21 Accuse Units 21 9 23 Specialized Prods
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A EH2 2IG (31.236 Cartmore Fund Managers \$ (2)(g) VALUE OF FUND MEMBERS VIJ. 22 2899 (1.24) Piecedilly Unit T. Mgrs. Ltd. 9 (2)(b). Trident Trusts lang!
Schlesinger Trust Managers 1.1d.
140, South Street, Porking.
140, South Street, Porking.
150, Gibbs (Antony) Unit Tst. Mgs. Ltd. 23, Blomfield St. ECON 7NL 01-586 4111 Previncial Life Inv. Co. Ltd. Conyage Road Brisso.

A Jan 12 | 416 | 522 | 7.26 | Mingser Road Control of the C Scottish Equitable Fnd. Mgrs. Ltd. Tyndall Managers Ltd. Holborn Bars, ECIN 2NH. 01-05 9222 Prudential 12.0 97.5(+1.0) 5.30 28 St. Andrews Sq., Eduthorgh 031-5560101 Income Units 19:9 41.4 -19 640 Accum. Units 19:15 43; -29 640 Dealing day Tuesday. Grieveson Management Co. Ltd. 30 Greekam R., EC2P 206, Barriagrap Feb. 2, [185 g IAccula, Unity, 1744 S 19m. R. Vd Feb. 10, 1744 S 19m. R. Vd Feb. 10, 1745 GACCUM, Ucitys, 1745 JACCUM, Unity, 1747 Granchester Feb. 11, 187 [Ascum, Unity, 1747 Los. ABrus, Vah. 6, 14 (Accum, Units), 187 Schae Unit Tet. Managere Ltd. 9 (9) Reliance Han, Tumbridg, Wells, St. 0002 22271 PO Box S11, Bekibry Hoc, E.C.4. 01-235 5000 BL Capital 301 322 -13 446 Sebng Capital Fd. 25.7 24.9 41.9 528 Capital Fd. 25.7 24.9 41.1 95.8 Remigium Management Ltd. National Provident Tay, Mngrs. Ltd. V. National Provident Tay, Mngrs. Ltd. V. Mngrs. V. Mngrs. V. Mngrs. V. Mngrs. Ltd. V. Mngrs. V. Mng Gnardian Royal Ex. Unit Mgrs. Ltd. Lioyd's Life Unit Tet. Magrs. Ltd. 48, Graceburch St., ECRP ERH N.P.I. Cth. Un. Tst., 136.6 99 (Accept. Units) 42.7 42.7 Apr. Ouena Trust 112.3 125 (Accum. Units) 112.3 125 (Accum. Units) 112.4 124 01-623 420 031-2362271 Ulster Bank# (21 | New Cl Exempt | 10810 | 1070| | 425 | Stewart American Fund | Fund | 126 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 1270 | 12 Lendon Wall 19 (2)(g)

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54 Jermen Street, S.W. Ol-molecu Sun Alliance Fund Mngt. Lid. Wieler Growth Fund 

Lloyds Life Assurance

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Nelez Money Cap. 67.2 52.2 7.2
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Nent sub. day Jan. 53.

PROPERTY, BONDS

Hearts of Oak Benefit Society

WRIII Samuel Life Assur. Ltd.

343 ... 1 -

Chrisse, Japhet Life Ass. Co. Lid. Hambro Life Assurance Limited V Paternoster Row, EC4. 01-365 3008 7 Old Park Lane, London, W1 01-469 0001

City of Westminster Assur, Soc.

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### IMPANY NOTICES

### S.A. ANDRE CITROEN 1967-73-82 63% Loan of \$US20,000,000

The redemption on 15th March, 1977, for which a sum of ,902,000 is planned, has been entirely repurchased on the Stock Amount remaining in circulation after 15th March, 1977;

Paying Agent BANQUE DE PARIS ET DES PAYS-BAS POUR LE GRAND-DUCHE DE LUXEMBOURG

MARUI CO, LTD. (Kabush ki Kasha Marub ters of 01: per cent. Convertible 1991 at the above Company are notified in accordance with Constitution of the accordance of the constitution of the accordance of the constitution of the constitution of the accordance of the constitution of the consti

IMPERIAL GROUP LIMITED By Order

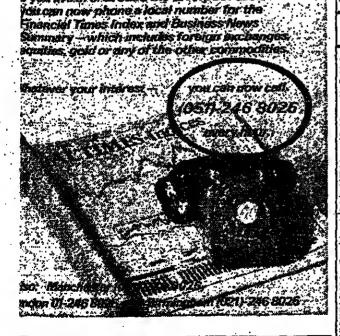
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Alfer Managed Life Assurance Company Life Insurance Co.

Amery Managed Life Assurance Company Life.

Lig. Reseat St. Wir St. 24 9 79 9 9 104 9 118 9 11 NOTICE IS HEREBY GIVEN that the Transfer Books of the Ordinary Snares at 25p each of Imperial Groom Limited will be closed for one day unit an Indeed will be closed for one day unit an Indeed will be 1977, and that warrants in respect of the final dividend for the vear ended 15tt October. 1976, will be posted on 25th March. 1977, for payment as 1st Abril. 1977, to Ordinary Shareholders on the Register at the close of business on 1st March. 1877. A Lide of the control P. M. DAVIES, Secretary. 16th February, 1977

### Solidated Solida **OVERSEAS FUNDS** OFFSHORE AND



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Tyou live in or around the Liverpool as

vest in 50,000 better tomorrows ! I 00 people in the United Kingdom suffer from progressively slysing MULTIPLE SCLEROSIS—the cause and cure of cb are still unknown—HELP US BRING THEM RELIEF D HOPE.

need your donation to enable us to continue nur work the CARE and WELFARE OF MULTIPLE SCLEROSIS erers and to continue our commitment to find the cause cure of MULTIPLE SCLEROSIS through MEDICAL

> Please help-Send a donation today to: Room F.I.
> The Multiple Scierosis Society of G.B. and V.I. 4 Tachbrook Street.

Arbathnot Securities (C.L) Limited Charterhouse Japhet P.O. Box 204, St. Heller, Jersey. 0534 72177 1, Paler Australian Selection Fund NV Barchers Unicorn Int. (Ch. Is.) Ltd. F. & C. Mynnt Ltd. Inv. Advisers | Charles Cross, Et. Heiler, Juny | 0250 28041 | 1-2 Learness Pouriney Hill, ECGS OBA. | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 | 15-25 Bishopsgate Commodity Ser. Ltd. FO. Box 42. Dongian, Lo M 0834-23511 |
ARRIAGOLIM. 4 | SUSPITED |
COUNTY Feb. 7 | 22.845 |
Criginally issued at 510 and 42.00.

INSURANCE,

Albany Life Assurance Co. Ltd.

Canada Life Assurance Co.

Campon Assurance Ltd.

26 High St., Potters Bar. Herts. F Bar 5122 Growth Fd. Feb. 6. 97.6

Abber Life Assurance Co. Ltd. Chrisse, Japhet Life 3 St. Paul a Churchystel, ECA. 01-3498111 1 Pateraceter Row, ECA.

Bridge Management Ltd. | Britannia Tst. Magent. (CT) Ltd. | Filening Robert) Investment | Management Ltd. (Inv. Adviser) | SSM 73114 6 Crosby Square EC3A 6AN | Crosby Square EC3A 6AN | Ltd. | State | Ltd. | St P.O. Bor 185. Hamilton, Berumda Barress Equity 175.18 112 250 Burress Bronne BESS 115 717 Prices at Jan. 10 Next sub. Cay Feb. 14. Park Hee, 16 Firebury Circus, Lond Tel: 01-628 8131 TLX 820100

Charterhouse Juphes
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First Viking Commodity Trusts

First Viking Commodity Trusts

P.O. Box RES. 55, PM St. School, Aug.

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Crescent Life Ass. Co. Lif.

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Life Assurance Co. Lid.

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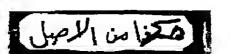
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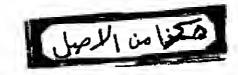
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The Financial Times Wednesday February 16 1977  MOTORS, AIRCRAFT TRADES	7811PF.KI3-4.00HBUCU 1 .	or   Die     Till   1876.7   Stock	S—Continued    Price   + or   Div   Crr   Gro   P.E.     1 25   1-7     -     -     -	4s
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### German nuclear rally banned

BY NICHOLAS COLCHESTER

BONN. Feb. 15. for Saturday against the atomic power station at Brokdorf, the focus of Weat German protest against nuclear power, was banned to-day by the local authorities in the State of Schleswig-Hulatein. The move illustrates the tension surround.

authorities in the State of Schleswig-Hulatein. The move illustrates the tension surrounding this matter.

The authorities bave used their powers to ban an open-air meeting if it is beld to threaten public order. They infer such a threat from the inflammatory tone used by extreme political groups in rallying aupport for the demonstration, and from the fact that two demonstrations at Brokdorf late last year reaulted in injury and damage.

The authorities bave used their powers to ban an open-air meeting if it is beld to threaten public order. They infer such a threat public order deal indicates that it that a third party was agreed its likely to reap large orders as eight European countries include: In that it is likely to reap large orders as eight European countries. Indicates that it is likely to reap large orders as eight European countries include. Although now involved in the is likely to reap large orders as eight European countries. Although now involved in the is likely to reap large orders as eight european countries. Although now involved it is

The aim of the conservative Schleswig-Holstein Government is clearly to steer all reasonable demonstrators against the power station to the peaceful demon-stration at the nearby village of Iteboe, on the Elbe estuary, and hrand as illegal any "hardcore" that insists on going to Brokdorf and attempting to occupy the

site.
Whether this tactic succeeds will be a measure of the political will that really lies behind this anti-atomic power movement.

During the demonstrations in the late 1969s, such hans tended

the ardour has cooled.

Herr Hans Friderichs, the Economics Minister, plans to present the basic elements of a revised energy plan at the end of March. These are expected to restate bis Government's convic-

### Krupp confirms oil barter with Iran

BY ADRIAN DICKS

FRIEDRICH KRUPP, the West Iranian light and heavy crude. mines. Involved in the occotia-German steel and engineering The deal, said Krupp, had no thone with Krupp's bas heen! The deal, said Krupp, had no thone with Krupp's bas heen! bas concluded a major barter ernment's purchase last October Belgian-owned Union Minière; deal with Iran for crude oil in exchange for manufactured Krupp hilding company, Fried, how, design and engineering for the manufactured goods.

In a brief statement in followed Iranian purchasea of substatial minority boldings in substatial minority boldings in the mines. Involved in the oegotia-intense. Involved in the oegotia-intense intons with Krupp's bas heen! Mechin a subsidiary of the base concluded in the oegotia-intons with Krupp's bas heen!

Mechin may also have provided in the oegotia-intons with Krupp's bas heen!

BONN, Feb. 15.

### Examiners to give verdict to-morrow on ships Bill

BY RUPERT CORNWELL, LOBBY STAFF

# By RUPERT CORNWELL, LOBBY STAFF the late 1895s, such hans tended to raise rather than lower the temperature. If demonstrators still try to occupy Brokdorf on Saturday, the straggle could be ugly indeed. The site resembles a small fortress, Police from all parts of West Germany will be on all andhy to defend it. The Federal Border Guard has been put on standhy as well. Work at Brokdorf Power Station has been hanned since mid. December by the courts, creation as been hanned since mid. December by the courts, creation a lagal precedent that has effectively brought the West German nuclear programme to a halt. This ban bas split opposition to the station into two broads groups, one that wisbes to show its worry about nuclear programme to a halt. This ban bas split opposition to the station into two broads groups, one that will subset to about its worry about nuclear power and the environment in an orderly way; and another, more milliant, faction clearly adopted as a sullable vehicle by extreme Left political emuntion that Bon may, find it difficult to trake progress on its entire energy programme until the ardour has cooled. BY RUPERT CORNWELL, LOBBY STAFF THE PARLIAMENTARY examinars will give their long-ings carefully expect that the Gound to be measure awaited verdict to-morroad will effort the Government, in fact, be found to be Common said the measure, bill will in fact, be Government, in fact, be found to be Common said the measure, bill will in fact, be found to be Common said the measure, bill will in fact, be found to be Common said the measure, bill will in fact, be found to be Common said the measure, bill will in fact, be found to be Common said the measure, bill will in fact, be found to be Common said the measure, bill will all along bas -refused to delete sbip repairing from the all atoms for the Lower by further delays to a Bill it has been trying to force on to the same limited by a further delays to a Bill it has been trying to force on to the same limit to the late of business—concerns statut in electing party leader

SY RICHARD EVANS, LOBBY EDITOR

LABOUR MPs voted by a two-to- mendations of the working party shelved was rejected by 97 votes

do without more nuclear power.

Yet an influential Social bein long-established right to The conference is expected to ments, most of which called for Democrat, Herr Volker Hauff, Secretary of State in the Tech-

Democrat, Herr Volker Hauff, Secretary of State in the Technology Ministry, suggested to-day that the nuclear question must be thrashed out further within and between the political parties hefure the Government's conviction is embodied in a new energy programme.

On the other hand, the conservative Opposition demanded to-day that Chancellor Helmint Schmidt restate clearly bis attitude lowards atomic power.

The decision, taken while a favour giving a more direct say greater participation by, party to the rank-aod-file and to consultive to the rank-aod-file and to consultive. A motion approved by the man of the Parliamentary party rejected any man of the Parliamentary party rejected any is likely to bring the Parliamentary party rejected any man of the Parliamentary party rejected any is likely to bring the Parliamentary party rejected any man of the Parliamentary party rejected any man of the Parliamentary party rejected any is likely to bring the Parliamentary party rejected any man of the Parliamentary party rejected

### **Power** prices up 11%

rise by 11 per cent. on average during the financial year April 1977 to March 1978 If, as the electricity authorities expect.

The Central Electricity Generating Board is basing its calculations on an expected 15 per cent increase in the price of coal. There have been a number of semi-official indications recently that the Government is prepared to sanction a coal price increase of that order.

Electricity pricing plans for 1977-78 do not, however, take into account the possibility of a second coal price increase during the year if the National Coal Board is called on to cover the costs of the early professional coaless. retirement scheme recently concluded with the mining

### Fuel bill

The CEGB fuel hill accounts for nearly 60 per cent. of its costs. Coal is costing the Board more than film, in the current year. The expected extra 15 per cent, on coal prices would add \$170m, to the Board's fuel bill.

The bulk supply tariff on which the CEGB sells electricity to the area Boards has been re-written for 1977-78. For the consumer the most important change is that the CEGB is cutting the night rates for electricity by nearly 15 per

Big generating sets at the newest coal-fired power stations, and the oil-fired and nuclear stations, are most efficient when run night and day to provide steady loads.

By widening the price gap between daytime and night-time electricity the CEGB hopes to encourage more use of electricity at night.

Assuming the 15 per cent, spring price rise for coal, the new peak rate charge for electricity on the bulk supply tariff will be 2.36p per kilowatt bour per cent. increase.

9.747p per kilowatt hour to 0.64p, a cut of 15 per cent. The standard rate will rise by 3 per cent from 1.087p per kilowatt bour to 1.12p.

per cent, expected will be applied gradually to con-sumers' bills during the year as the automatic quarterly fuel price adjustments are made.

Consumption of electricity in Britain is estimated by the CEGB to be likely to reach 204hn, kilowatt hours for 1976-1977 compared with 201hn, kilowatt hours in 1975-76. Forecasts for 1977-78 suggest con-

# next year

By Ray Hodson

ELECTRICITY PRICES with there is a sharp rise in coal prices this spring.

### Night rate

The night rate will fall from An average increase of 11

### authorities have entered calmer NET SALES OF GOVERNMENT financial water after two years in which the need to sell mas-sive quantities of gilt-edged SECURITIES tended to overshadow the capital markets. In the coming financial year it is conceivable that the GB may have to do little more than refinance some £3.2bn. of maturities. That coinpares with issues of stock carry-

It is now three weeks since

the Government Broker was

last operating a tap stock, and it

looks increasingly as though the

ing a total face value of £8.1hn. during 1976-77 so far. But there

are a number of ways in which the hasic arithmetic could yet

to sell only about £3bn, of deht

for the DCE constraint to be

Phillips and Drew.

in the equation.

Cloudy -with rain, becoming Cenl S., S.W. England. W. Mid-lands, Channel, Wales Showers; sunny intervals. Max

9C (48F).
Lakes N.E. England, Borders,
Edinburgh, Dundee, S.W. Scotland, Glasgow, Cent. Highlands,
Cloudy with rain, becoming

Clotty with showers.

Aberdeen, Moray Firth, N.E.
Scotland Orkney, Shetland
Cloudy, rain at times. Max.
6C (43F).

L. of Man, N. Ireland
Showers, sunny intervals, Max.
7C (45F).

Outlook: Changeahle.

Long-rang forecast: Change-able weather is expected in most

places during the next four weeks, but it may become drier and more settled later, especially

BUSINESS CENTRES

P 7 45 Reykjavík
R 5 41 Rio de J'
C 1 34 Rome
C 6 43 Singapore
C 5 41 Stockholm
D 3 41 Stockholm
C 5 41 Tchran
S-14 7 Tch Aviv
S 25 77 Toronto
S 25 77 Toronto
C 4 39 Warsaw
R 3 37 Zurich

HOLIDAY RESORTS

7C (45F)

be upset.

THE LEX COLUMN

Measuring future

funding needs

Index rose 9.8 to 376.1

The starting points are the estimates in the IMF Letter of Intent that the public sector Indeed brokers James Capel. though happy about the pros-£8.7bn for 1977-78, and the limit for domestie credit expan-sion will be £7.7bn. It is likely by what their crystal hall prothat the increase in bank lend duces for 1978-79. They project ing to the private sector next a sbarp increase in bank lendyear will be fairly small—say ing. and serious strains upon of the order of £2hn. On this the capital market. But that is

### to the non-hank private sector Interest rates

basis the public sector will have looking a very long way ahead.

met. Allowing for sources of finance such as national savings, and for the personal sector's direct purchases of gilts, the financial institutions might be required to take up less than gilt-edged market than about £2bn, of gilts. And it must be gilt-edged market than about taken into the reckoning that the general trend in interest the PSBR, on present policies, rates

is likely to undershoot significantly - hy more than £1bn. interest rates are now stabilising after their recent sharp the like. And it says that according, for example, to drop. For the first time since With the annual cash inflow early December, the discount links with Burgess. Ha to the life insurance offices and houses did not borrow from the the general question is w the pension funds now swelling Bank of England vesterday, the minority shareholders to over the £6hn, mark it is though the latter did buy in protection when confront understandable why the gilt treasury hills. The recent enor- such proposals - their of daring of market has become confident mous shortages in the discount of veto - is really adequ that the Government's perspective market have faded away, partly opponents of Cavenhamed and the faded away, partly opponents of Cavenhamed away, partl tive funding requirements can because the houses no longer last year with Generale O. be comfortably absorbed. . have to finance such sizeable gilt tale discovered, it is Yet there are some qualifica-books, and overnight money is difficult to get an intions. It is likely that DCE will much easier. opposition organised,

oot, in the event, be anywhere. As the prospect of another near the indicated limit—the sharp fall in interest rates Wedds on gilts current financial year's DCE, recedes the interest rate strucafter all, is likely to turn out ture is beginning to look more Jobbers Wedd . Durk several fbn. under the fpbn. normal. One-month and one- Mordaunt are offering to limit. Moreover any tendency year interbank rates are virtu- slons for 1977 of their. for the PSBR to undershoot ally identical currently, com- established and respected t could be partly or wholly offset pared with late January when ence, work on the gilten Concors hy a reflationary Budget. And the shorter rates were one and market. The more experience has shown a half points above the longer hard cover version is designed. that making short term pro-rates. Meanwhile in the gilts to refleet "something jections of bank lending can be market, high coupon shorts— prestige associated with bazardous. The necessary level which were at one time yield- gilt-edged market and thousand of gilt-edged sales is sensitive lng three-quarters of a point have dealings in it."
to changes in all these variables less than MLR—are now yielding 12.3 per cent.
gilt lettering. ing 12.3 per cent.

With easier mnney conditions and greater in the rate structure. the must now be on the hanks to cut their hase MLR has fallen three pere pnints from its October per 15 per cent, while bank,

rates have dropped by n points. For the greater part year bank base rtes stood i MLR and with three interbank rates close to below base rate, the bank scope for trimming their wilbout laying Ibemselves to "round tripping."

### Bamfords

announces that it needs equity, and proposes to by means of a very heavy issue underwritten by its r shareholder (and custo F. W. Burgess, a public up company, currently cons per cent. of Bamfords, this cultural machinery, maker For the first time since early its holding seems bound? lo over 50 per cent. foll the latter's proposed

issue. This is designed ! the equivalent of nearly current market capitalisa Bamfords has taken in dent advice (from Ha

gilt lettering.

### Shell/Esso strikes new field by accident close to Auk

6Y RAY DAFTER, ENERGY CORRESPONDENT

THE SHELL-ESSO group has madvertently made a new oil cial Ank field, some 185 miles offshore of Dundee.

Shell-Esso found the edge of a new reservoir while drilling a development well from the Auk production platform. It is expected that they will carry out a further search using a mobile exploration rig to evaluate the new structure. The new find is thought to lie a few bundred feel below the

level of the Auk reservoir and lo



Shell and Esso have delincrately drilled helow the Zechstein formation with all of its wells. The first twn Ank development wells (used for tapping the oil-field) found only water at the lower level. The third well missed the Zechstein rock system and struck the new reservoir.

The area around Auk is complex and fanited but if the unnamed reservoir proves to be a commercial prospect, develop-

a commercial prospect, development could be achieved by meass of long, deviated wells which talked about a continuing

### Output rise insufficient to check unemployment

BY PETER RIDDELL ECONOMICS CORRESPONDENT

improved slightly in recent months, although the growth rale is still very low and not nearly believes that it has touched only ennigh the flank of the reservoir, the increase in unemployment size and nature of which is The Central Statistical

the trade figures, the seasonal North Sea production, adjustment process bas not yet. In the last quarter, this seccaught up with the longer, tor's output rose by 72 per cent. Christmas bolidays now being (with a slight rise in coal production as well). This accounts

INDUSTRIAL PRODUCTION Seasonally adjusted
All Total Industries Manufatouring t00.3 99.6 102.1 102.0 103.5 103.4 104.2

101.5 103,6 107.4 100.6 102.4 102.8 104.2 104.8 104.5

103. seasonally adjusted) from output.

103.1 in the previous month. The only encouraging feature.

It is officially suggested that was a rise of nearly 4 per eent. this may understate the in mining and quarrying output.

December level since, as with as a result of the build-up of the trade figures, the seasonal North Sea production.

### Weather U.K. TO-DAY BRIGHTER, showery conditions spreading from the W. London, S.E. E., N.W., Cent. N. England

### **EXCELLENT LOCATIONS**

**BISHOPSGATE EC2** 3 very bright office floors each 8,200 sq. ft. will divide LIFTS, C.H. etc. New 10 year lease

CLIFTON ST. EC2 Refurbished to high standard, showroom/pffices 3,710 sq. ft. LIFT, C.H., CARPETED. New lease.

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and fittings. Lease to 1981.

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First class fixtures

CANNON ST. EC4 Close station, Ground floor

banking hall and offices

CHISWELL ST. EC1 Immediately off Finsbury Sq. 5th floor. 1,400 sq. ft. Lease to 1986. Lift, C.H.

Good natural light.

HOLBORN VIADUCT

Prestige offices above statio Lifts., C.H. Very bright.

CANNON STREET ECA Opposite station upper floor nifices,

**BISHOPSGATE EC2** 

New 10 year lease.

7th floor office suite.

2,728 sq. ft. Good building Lifts, C.H. Being redecorated.

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### the East of the production plat form. Shell said yesterday that its reserve estimates for Auk were not affected by the development. A number of North Sea gas Auk Field, which came on whereas the newly-discovered oil stream a year ago, has about lies in a lower Rotlic gendes sanding the stream a year ago, has about lies in a lower Rotlic gendes sanding the stream a year ago, has about lies in a lower Rotlic gendes sanding the stream and reserves. The field lies in the 1t is far ton early to assess able. Zechslein geological formation the potential of the find. Shell Mesa Petroleum rebnff Page 11

Sterling and shares recover BY MICHAEL BLANDEN

THE POUND and the stock remained fairly stable during the closing with a gain of 9.5 points markets recovered yesterday afternoon in generally calmer at 376.1. It fell 15.2 points on atthree quarter output may have been month basia in the all-industries slightly understated because of a index in the period compared Monday.

Monday in response to the poor Sterling closed in London at Citedred prior of the faster growth on a three quarter output may have been month basia in the all-industries slightly understated because of a index in the period compared changerous in the stock trend with the manufacturing index.

Monday in response to the poor Sterling closed in London at trade figures for January.

St. 7045, making up 75 points of covered, with the market regainstant the L55 cent fall recorded on market the authorities pul a Monday. The effective depreciation from December 1971 levels abarp squeeze on short-time tion from December 1971 levels arrowed to 43.4 per cent, compared with 43.6 per cent, compared with 43.8 per cent, contraded 60 per cent in piaces. Monday and 43.8 per cent in precise for a very short term money pared with 43.8 per cent in places. Monday and 43.8 per cent in places arrowed to bave given some divest support early in the day fell the reaction on Monday was to 65.15. If fell 1.47—the biggest a relatively alow start. It with the Financial Times index four months—on Monday,

Sterling closed in London at Gilt-edged prices also recovered, with the market regainting index from the summer with possible to the year.

Sterling closed in London at the stock trend with possible to covered, with the market regainting index from the summer with possible to restocking towards the find of the year.

The dull underlying trend is, is reflected in the latest estimate the dot the year.

The dull underlying trend is, is reflected in the latest estimate from Brokers Wood Mackenzie production at the end of the year was little bigher than in the account of the halance of pay-ing.

The Financial Times Government sindex rose 0.72 the all-industries index rose by 51.150 in 1977 from the North only 1 per cent. compared with 1975, Manufacturing output rose by 1.5 per cent. over the same

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INDUSTRIAL PRODUCTION has

prevent another The Central Statistical Office shell and Esso have deliber-announced yesterday that the

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Generally, the money markets and has secured a number const. are adjusting to the idea that undertakings about futu dends arm's length dealh are clear benefits from:

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